

2009/2010 ANNUAL REPORT

Section	Contents	Page No:
Section 1	1. Introduction and overview Pre-ample: Powers and Functions Foreword by the Mayor The annual program priorities' statement Overview of the Municipality Executive Summary	
Section 2	2. KPA Achievement Reports Organizational Transformation and Institutional Development (KPA 1) Basic Service delivery performance (KPA 2) Municipal LED framework implementation (KPA 3) Financial Viability (KPA 4) Good Governance and Public Participation (KPA 5)	
Section 3	3. Functional areas service delivery reporting Directorate: Corporate Services Directorate: Finance Directorate: Strategic and Development Planning Services Directorate: Social Development Services Directorate: Infrastructure and Engineering Services	
Section 4	Annexures Annual Financial Statements Auditor General Report	Annexure A

S

SECTION 1:

1. INTRODUCTION AND OVERVIEW

1.1 PREAMBLE

The Constitution of South Africa 1996, Municipal Structures Act of 1998, Municipal Systems Act 2000 and Municipal Finance Management Act establish roles and responsibilities for local government. The Municipal Structures Act of 1998 made provision for the division of powers and functions between district and local municipalities. It assigned district-wide functions to district municipalities and most day-to-day service delivery functions to local municipalities.

The Provincial MECs were empowered to adjust these powers and functions according to the capacity of municipalities to deliver services. These functions are contained in the table below:

Schedule 4 Part B & Schedule 5 Part B	Schedule 4 Part B Schedule 5 Part B
<ul style="list-style-type: none"> • Air pollution (local function) • Building regulations (local function) • Child care facilities (local function) • Pontoons, ferries, jetties, piers and harbors, (local function) • Storm water management systems in built-up areas (local function) • Trading regulations (local function) • Water and sanitation services (district function) 	<ul style="list-style-type: none"> • Beaches and amusement facilities (local function) • Billboards and the display of advertisements in public places (local function) • Cleansing (local function) • Control of public nuisances (local function) • Control of undertakings that sell liquor to the public (local function) • Facilities for the accommodation, care and burial of animals (local function)

<ul style="list-style-type: none"> • Municipal health services (district function) • Electricity and gas reticulation (district function) • Local tourism (shared function) • Municipal airports (shared function) • Municipal planning (shared function) • Firefighting services (shared function) • Municipal public transport (shared function) 	<ul style="list-style-type: none"> • Fencing and fences (local function) • Licensing of dogs (local function) • Licensing and control of undertakings that sell food to the public (local function) • Local amenities (local function) • Local sport facilities (local function) • Markets (local function) • Noise pollution (local function) • Pounds (local function) • Public places (local function) • Street trading (local function) • Street lighting (local function) • Traffic and parking (local function) • Municipal parks and recreation (local function) • Refuse removal, refuse dumps and solid waste disposal (shared function) • Cemeteries, funeral parlors and crematoria (shared function) • Municipal abattoirs (shared function) • Municipal roads (shared function)
---	---

The above mentioned functions have been distributed amongst five key performance areas of the municipality as follows:

NO	KEY PERFORMANCE AREA AND DIRECTORATE	POWERS AND FUNCTIONS	STAFF COMPLIMENT FOR EACH UNIT & DIRECTORATE	LEVEL OF PERFORMANCE in 2009/2010	REASONS FOR VARIATION & COMMENTS
1.	Institutional Development and Organizational Transformation: Corporate Services Directorate	1. Administration	25	100 % targets set for 2009/2010 achieved.	Records Management System full functional. Fleet Management Procedures approved and implemented. Council Support unit fully fledged.
		2. Legal Services	0		Litigation matters for 09/10 finalized.
		3. Human Resources	03		Approved positions in the organogram filled
		4. IT services	02		IT unit fully functioning
	Manager & PA to Corporate Services Manager		02		
2.	Basic Service Delivery: Infrastructure and Engineering Services Directorate	1. Roads and Storm water drainage 1.1. Storm Water	02	60 % of targets achieved	Financial constraints & delays in the EIA approval process. 30 % of MIG
		2. Electricity 2.1 Planning, Distribution & Maintenance	01	100 % targets set for 2009/2010 achieved.	Funding for electrification of 700 households secured from DME, implementation planned for 2010/2011 financial year
		3. Solid waste Cleansing Control of public nuisance Refuse removal, refuse dumps and solid waste disposal	23	95 % of set targets achieved	Integrated Waste Management Plan on draft to be finalized in 2010/2011 financial year. Waste management By-Law adopted by

					Council Contact signed between NLM and Zibambe Ziqine: for refuse removal.
		4. Basic services 4.1 Provision of free basic services, electricity, alternative energy.	01	100 % of set targets achieved.	1800 deserving individuals receive free electricity, gel, stoves & lamps
		5. Buildings Fencing and Fences	01	95 % of set targets achieved	ERF 85 fenced. Landfill site could not be finalized due to financial constraints. Submitted Business Plan to DEDEA to secure funding. To be fenced in 2010/2011 financial year.
	PA TO INFRASTRUCTURE AND ENGINEERING SERVICES MANAGER		01		
3.	Local Economic Development: Strategic and Development Planning Directorate	1. Local Economic Development Local Tourism Trading Regulations Control of undertakings that sell liquor to the public Billboards and Display of advertisements Licensing and control of undertakings that sell food to the public function Street Trading	03	90 % targets achieved	By-laws as follows gazetted in January 2010 <ul style="list-style-type: none"> - Trading regulations by laws - Liquor trading hours by laws - By laws relating to sale of meals/food, and perishable foodstuffs. - Advertising by laws - 75 temporary jobs created during construction of Cultural Village, fencing for co-operatives.
		2. Special programs 2.1 Youth, 2.2 women and	01	70 % of set targets achieved	- Physically challenged sector plan

		Physically Challenged people Development 2.4 Affirmation of PDIs			adopted & implemented - Launch for youth & women's Council's postponed due to financial constraints -
		3. Town planning 3.1 Building regulations 3.2 Land use Management 3.3 Land Audit and Survey 3.4 Zoning and Sub divisions 3.5 Settlement Planning and 3.6 Land Claims	02	90 % of set targets achieved	- Land Claims not finalized, engaged Amanci T/C Land Claims Commission towards finalization - Land use management plan adopted - Building regulations by laws gazetted in January 2010 - Procedures Developed & 11 building plans approved.
		4. Integrated Development Plan and PMS (Institutional) Municipal Planning	01	100 % of set targets achieved.	- IDP, Budget, SDBIP & PMS adopted ny Council
		5. Environment Management Air pollution Soil Rehabilitation Alien Species	01	60 % of set targets achieved.	Contract between Service Provider & NLM for Soil rehabilitation terminated, project postponed for 2010/2011 financial year. Desktop research for air pollution by-law has been done. Funding for alien species removal not secured from DAFF to be funded with MIG fund.
	MANGER & PA TO		02		

	STRATEGIC AND DEVELOPMENT PLANNING MANAGER				
4.	Financial Viability: Finance Directorate	1. Revenue and Property valuation	01	100 % of set targets achieved	Billed 643 (408 for rates & 235 for refuse removal) Debtors. Monthly Revenue collection increased by at least 5 % in 09/2010 Supplementary Valuation Roll adopted by Council.
		2. Expenditure Services	03	100 % of set targets achieved	Procedure Manual approved. Processes towards migration from Venus to Pastel Evolution to be finalized in 2010/2011.
		3. Treasury and Budget Control	02	100 % of set targets achieved	2009/2012 MTEF budget approved by council Section 71 reports sent to Provincial & National Treasury
		4. Supply chain Management	02	100 % of set targets achieved	SM policy adopted by council and implemented.
		5. Asset Management	03	100 % of set targets achieved.	GRAP conversion implemented.
	MANAGER & PA TO FINANCE MANAGER		02		
5.	Good Governance and Public Participation: Social Development Services Directorate	1. Public safety 1.1 Municipal Public Transport 1.2 Traffic and Parking Function	14	100 % of set targets achieved.	Traffic By-Law gazetted in January 2010 and enforced. 202 motor vehicles stopped, 15 Traffic fines issued, 3 warning tickets issued and 6 SAPS J534 Issued.

				6 schools visited- Sapukanduku JSS, Ndlantaka JSS, Mnceba SSS, Mzwakazi JSS, Cola JSS, Tladi JSS 1652 learners were educated Arrive alive campaign conducted on the 29 March 2010- 450 people attended and promotional material distributed. 2 stray animal workshops done at Tladi and Mjila
	2. Social Facilitation 2.1 Communicable diseases Campaigns. 2.2 Education, Health and welfare. 2.3 Sports development. 2.3 Child welfare and Old age care. 2.4 Social Facilitation,(Poverty Alleviation and Housing)	02	90 % of set targets achieved	Financial constraints. Statistics on ICROP- 4784 first issue lds; 1693 re-issues; 1488 late registration of birth; 2715 birth certificates Sport- Soccer associations established; gospel association terms of references drafted 9 campaigns have been conducted with 473 participants educated.7 HIV/AIDS support groups were established out of this awareness campaign
	3. Community Services Child care facilities Cemeteries, Funeral Parlous and crematoria function Facilities for accommodation care and burial of animals	10	100 % of set targets achieved	Cemetery By-law adopted by Council and enforced. Pound procedures approved.

		Local Amenities Local Sport Facilities Municipal Parks and Recreation Public Spaces Pounds			Trees planted at Public Walkways
		4. Public Participation Ward Committees Community Development Workers Traditional Leaders	01	75 % of set targets achieved	Training manual developed. Training to be budgeted & co-coordinated in 2010/2011
	MUNICIPAL Manager's OFFICE	5. Cross Cutting Issues Delegation Framework Audit Committee Intergovernmental Relations Audit by Auditor General BY LAWS	02	100 % of set target achieved.	Delegation Framework adopted by NLM Council with clear roles and responsibilities Internal audit unit is functional; & Audit Committee has been fully established; planned to sit quarterly. <ul style="list-style-type: none"> • Audit Charter adopted by Council • Internal Audit Charter adopted by Audit Committee • Risk Management strategy adopted • Intersect oral Forum was officially launched in January 2010. • The municipality moved from Disclaimer Opinion to Adverse Opinion. • BY-laws gazzetted in January 2010
	Municipal Manager & PA to the Municipal Manager		02		

MAYORS FOREWORD.

The annual report tabled here is a testament to the work Council is doing to enhance community wellbeing, maintain and enhance our natural and built environment and deliver positive outcomes on behalf of all our residents.

Planning for future growth

Without doubt, one of Council's most pressing concerns during the start of the financial year when we were adopting the budget in June 2009 were the following five pillars:

- Increasing organizational transformational efforts (KPA 1)
- Enhancing basic service delivery (KPA 2)
- Increasing local economic development activity (KPA 3)
- Enhancing efforts of financial viability (KPA 4)
- Building a culture of good, clean governance and public participation (KPA 5)

The five pillars required both foresight and careful planning. Extensive work has been done in the past twelve months to ensure we can face what is a very exciting phase in Ntabankulu Local Municipality's history with confidence and certainty.

KPA 1- on Institutional Development and Organizational Transformation we note progress made from 2008/2009 financial year, wherein staffs complement has increased from 112 to 120, utilizing 33 % of the total budget. A total number of 25 staff members have been trained in Diploma in Public Management, CPMD (4), and Security Grade E & D.

KPA 2- On Basic Service Delivery: Housing, plans are currently underway towards construction of Middle Income Houses within the urban Area. The contractor at Bomvini Ward 4 Village has been appointed, thus construction of 300 units will commence in 2010/2011 financial year.

We shall continue to support 1800 households with alternative sources of energy. On Pre-schools and Community Halls I am pleased to pronounce in the past twelve months we have managed to complete Cola, Madwakazana and Ngqane Community Halls. Fencing of the municipality has also been completed in 2009/2010.

The 2009/2010 capital works program, (Municipal Infrastructure Grant) included spending on construction of access roads, five (05) access roads have been completed in May 2010.

Work will also continue on a long-term strategy for a waste management and rehabilitation of the land-fill site, a project expected to eventually cater for up to 30 employees in an innovative recycling business environment. This is one of the long-term planning projects currently being undertaken to secure Ntabankulu Local Municipality's future as a great place to live, work and raise a family.

KPA 3: Local Economic Development: Our Council Plan 2009/20110 delivers the blueprint we are following to provide for our growing population, strengthen our communities, manage our environment, assist economic growth and support local business initiatives. Working in partnership with other levels of government, Department of Economic

Development and Environmental Affairs and SEDA Council has responded to support four (04) local vegetable co-operatives with fencing & seedlings, two goat farming local co-operatives with fencing, rams and ewes. SEDA trained 20 SMME's on Basic Bookkeeping and Financial Management.

KPA 4: On Financial Viability we have successfully accomplished our efforts in migrating our accounting systems from Venus to PASTEL evolution. We have managed to produce 2009/2010 financial statements we complying with Generally Recognized Accounting Practices (GRAP). Debt collection programme is currently underway as we intended to increase our revenue in 2009/2010 financial year. Debt collection system installation is currently underway, wherein age analysis, timeous distribution of billing statements, and Reminder SMS will be sent to all debtors.

KPA 5: On Good Governance and Public Participation.

The Audit Committee Charter as adopted by Council in 2009/2010 financial year assigns the following responsibilities to the Audit Committee and Internal Audit Committee:

- Responsibilities relating to accounting and financial reporting
- Responsibilities relating to External Audit Function performed by the Office of the Auditor-General
- Responsibilities relating to Risk Assurance Services and Risk Management
- Responsibilities relating to Governance
- Responsibilities relating to Internal Controls
- Responsibilities relating to Compliance
- Responsibilities relating to Ethics
- Responsibilities relating to Reporting
- Responsibilities relating to Performance Management

Encouraging people to become more involved in their local community in Public Participation Programs is important to Council. In the past twelve months we successfully managed to host all calendar events days as adopted by Council, State of the Municipal Address, Handover of project and programs, Literacy Week.

.....
Pumzile Sakhumzi Matshoba

Honorable Mayor

THE ANNUAL PROGRAM PRIORITY STATEMENTS BY THE **MUNICIPAL MANAGER.**

In compiling the 2009/2010 Annual Report of Ntabankulu Local Municipality the municipality was guided by the following information:

- 2008/2009 Annual Report Assessment Report by Local Government and Traditional Affairs;
- Municipal Finance Management Act 56 of 2003
- National Treasury MFMA Circular No. 11,
- Local Government Annual Report Guidelines;
- National Treasury MFMA Circular 32, The Oversight Report;
- 2009/2013 IDP;
- 2009/2012 Budget Document.

The council notes specifically that most of the information required to be included by the annual report is attached as follows:

Report contains the following:

- Annual Financial Statements;
- Auditor General's Audit Report;
- Annual Performance Report; **(refer to the summary of powers and functions and the level of performance and Section 3 of the report)**
- Summary of investments and revenue.

The municipality's performance management system seeks to ensure that a performance oriented culture is instilled throughout the municipality. It is upon this background that performance objectives and targets as reflected in the IDP and SDBIP must be measured and reviewed periodically.

The purpose of 2009/2010 annual performance report is to provide a record of activities of the Municipality, to map our achievements on objectives set in the IDP, targets set in Service Delivery and Budget implementation Plan and Service Delivery and Budget Implementation Turnaround. It will illustrate municipality's level of performance in line with the agreed performance outputs & outcomes, reasons for non-performance will be given and corrective measures thereof.

It is thus important to note the following **key performance highlights** and plans for 2010/2011 financial year.

KPA	KEY PERFORMANCE AREA	PERFORMANCE HIGHLIGHTS	PLANS FOR 2010/2011 FINANCIAL YEAR
1.	Institutional Development and Organizational Transformation	<ul style="list-style-type: none"> - 100 % of approved and budgeted posts filled - Records Management System full functional. - Fleet Management Procedures approved and implemented. - Council Support unit fully fledged - Training targets as planned achieved. 	<ul style="list-style-type: none"> - Employment Equity Plan - Cascading Performance Management System to Officers - Enforce Information Technology Procedures
2.	Basic Service Delivery	<ul style="list-style-type: none"> - 1800 deserving individuals receive free electricity, gel, stoves & lamps - Construction of 03 Community Halls Completed 	<ul style="list-style-type: none"> - Procurement and supply of tables and chairs for 15 Community Halls - Construction of 3 Access Roads - Construction of 148 units at 471 Housing Project.
3.	Local Economic Development	<ul style="list-style-type: none"> - 04 Local Vegetable Co-operatives funded with fencing material, rams and ewes - 20 SMME's trained in Basic Bookkeeping - 75 temporary jobs created in 2009/2010 	<ul style="list-style-type: none"> - Registration of community endeavors as business entities - Training & Registration of Construction SMME's in NHBRC & CIDB - 150 temporary jobs to be created
4.	Financial Viability	<ul style="list-style-type: none"> - GRAP conversion - Moved from Disclaimer Opinion to Adverse Opinion 	<ul style="list-style-type: none"> - 5 % increase on revenue collection
5.	Good Governance & Public Participation	By-laws gazzetted in January 2010 Finance Policies, Local Economic Development Plan, Audit Charter, Social Development Services Policies & By-Laws adopted.	Installation of By-law Business Licensing System towards enforcement of by-law

THE POLICY ENVIRONMENT.

In considering the review and/or analysis of the institutional arrangements within the municipality, it is important to understand exactly what is meant by the term "Institutional". For the purposes of the Integrated development Plan, Service Delivery and budget implementation plan and Performance Management System the term *institutional* shall cover the sector plans, policies/by-laws, procedures and principles adopted by Ntabankulu Local Municipality in the key areas of business activity, i.e. people management and development, service delivery business systems, customer relations management, and the measurement of the level of return received on the asset base managed and asset management. Sector plans, policies/by-laws, procedures are strategic in nature and designed to give maximum effect to strategic objectives and targets. They include vital components such as leadership, communication and trust, which must be applied coherently and collectively to ensure that critical mass is achieved across the municipality.

The table below depicts situational analysis on the municipality's sector plans, policies/by-laws and procedures:

<u>KPA</u>	<u>POLICY/BY-LAW/SECTOR PLANS</u>	<u>POLICY OBJECTIVE</u>	<u>STATUS QUO</u>
Institutional Development and Organizational Transformation	Organizational Structure	<ul style="list-style-type: none"> - To fulfill the strategic management task of the organization i.e. linking input to outcomes. - To truly be capable of transforming communities so served 	- 2009/2010 Organogram adopted & implemented
	Employment Equity Plan	=	- Co-ordinate appointment of Service Provider towards development of EEP
	Human Resources Plan	<ul style="list-style-type: none"> - To develop and adopt appropriate systems and procedures to ensure fair, efficient, effective and transparent personnel administration, in accordance with the applicable law and subject to any applicable collective agreement. 	Reviewed and adopted by Council in 2008, currently implemented & enforced to all municipal employees.
Basic Service Delivery	Fencing By-Law	<ul style="list-style-type: none"> - The council is aware of its duty to provide a safe and healthy environment - The municipality in these by-laws seeks to regulate fencing with the aim of safeguarding its residents and visitors of the area 	
	By-Laws relating to storm water management	Seeks to regulate storm water management which may have a negative impact on the development, operation and maintenance of the storm water system.	

	By-Laws relating to dumping, littering and waste collection	To provide procedures, methods and practices to regulate the dumping of refuse and removal thereof.	

<u>KPA</u>	<u>POLICY/BY-LAW/SECTOR PLANS</u>	<u>POLICY OBJECTIVE</u>	<u>STATUS QUO</u>
Planning and Local Economic Development	Building Regulations By-Law	<ul style="list-style-type: none"> - seeks to fulfill the legislative call National Building Regulation and Building Standards Act, 1977 [Act No 103 of 1977] as amended and other relevant legislation - for prescribing of building standards within Ntabankulu Urban Area jurisdiction and matters connected therewith. 	
	Local Economic Development Plan	<ul style="list-style-type: none"> - Build the capacity of local community members and other local stakeholders to plan and manage local economic development. - Stimulate and develop partnerships to plan and implement sustainable Local Economic Development projects - Facilitate business growth (especially Small & Medium Enterprises) and lever private investment that will specifically benefit the poor. - Monitor and evaluate LED with a view to understand its impact and share learning's. 	<p>Key economic drivers</p> <ul style="list-style-type: none"> - Forestry – Feasibility study was commissioned to Institute of Natural Resources completed in 2009, Sector Plan developed, implementation phase - Sand & Quarry Mining-Feasibility study commissioned to DDN consulting completed, sector plan on implementation phase. - Agriculture-Baseline Study commissioned to Dora Tamana in 2006 completed, Agriculture sector plan currently implemented - Tourism- Focuses on Arts and Craft, History & Heritage

			<p>Business Support- SLA signed between SEDA & NLM to SEDA to offer support to Ntabankulu SMME's in the form of business advice, business development, business registration, marketing and training.</p> <p>- Feasibility Study for Ntabankulu Development Agency commissioned to Urban Econ to be completed in 2010/2011 financial year.</p>
	Trading regulations by laws	<ul style="list-style-type: none"> - to enable provision to be made in relation to trading regulations and other interests of consumers - to regulate licensing and carrying out of businesses and shop hours; 	Business License System to be installed in 2010/2011 financial year, to issue trading licenses.
	Liquor trading hours by laws	-by-law covers standards; values and principles for any liquor operations in Ntabankulu rural and urban area jurisdiction	Engaged Liquor Board for intervention to issue Liquor Licenses to liquor businesses.
	By laws relating to sale of meals/food, and perishable foodstuffs.	<ul style="list-style-type: none"> - To amplify the Council's powers to regulate handling; importation and exportation of foodstuffs, the inspection of food producing institutions, the medical examination of 	Procedures developed in partnership with the Department of Environmental Health, to be enforced in 2010/2011 financial year.

		food handlers and the water used for food processing.	
	Advertising by laws	<ul style="list-style-type: none"> - To enable Council in exercising its functions of: - regulating, limiting, prohibiting, inspection, supervision and levy moneys with regard to the erection, display and use of advertisements of whatever nature, on or visible from any street or public space 	Installation of advertising signs, planned for 2010/2011 financial year.
	Building Regulations By-Law	<ul style="list-style-type: none"> - seeks to fulfill the legislative call National Building Regulation and Building Standards Act, 1977 [Act No 103 of 1977] as amended and other relevant legislation - for prescribing of building standards within Ntabankulu Urban Area jurisdiction and matters connected therewith. 	- Building Regulation Procedures developed & enforced
Financial Viability	Budget Policy	<p>The policy sets out:</p> <ul style="list-style-type: none"> - The principles which the municipality will follow in preparing each medium term revenue and expenditure framework budget, - The responsibilities of the mayor, the accounting officer, the chief financial officer - and other senior managers in compiling the budget, - To establish and maintain procedures to 	MTEF Budget (2009/2012) adopted by Council

		ensure adherence to Ntabankulu Municipality IDP review and budget processes	
	Banking Policy	To ensure that the municipality's cash resources are managed effectively and efficiently	Procedures developed and implemented.
	Asset management	To prescribe procedures for the management of assets	Directive 4 of GRAP Standards adhered to.
	Credit & Debt Collection Policy & By-Law	The municipality recognizes its constitutional obligations to develop the local economy and to provide acceptable services to its residents, hence the adoption of credit & Debt Collection Policy	On implementation Phase. Age analysis completed & debtors acknowledged their debts.
	Supply Chain Management	- The policy seeks to ensure adherence to section 217 of the Constitution; and Part 1 of Chapter 11 and other applicable provisions of the Act (MFMA);	Bid Committees established Procedures developed and adhered to.
	Tariff By-Law		-By-Law enforced & to be reviewed in the 2010/2011 financial year
Good Governance & Public Participation	Functioning of ward committee policy	<ul style="list-style-type: none"> - seeks to fulfill the legislative call to ensure - that participatory democracy is encouraged and an enabling environment is created for the optimum functioning of ward committees 	<ul style="list-style-type: none"> - Policy on implementation Phase. - 10 desks established as guided by the policy - Ward Committee Sitting allowance disbursed on quarterly basis - Quarterly Reports submitted
	Social Assistance Policy	- To provide for the mechanisms of rendering social assistance to persons; and to provide for rendering of	-Policy on implementation phase.

		immediate relief measures to the needy community members.	
	Pound Policy & Pound By-Law	- Facilitate the implementation of a legally accepted process of controlling stray and trespassing livestock within the Central Business Centre, public roads and private properties within the Ntabankulu Local Municipality Jurisdiction	Contract signed between NLN and Zibambe Ziqine for impounding of animals after hours Pound procedures approved & enforced.
	Indigent policy	- The provision of procedures and guidelines for the subsidization of basic charges and the - provision of free basic energy to indigent households; - The provision of basic services to the community in a sustainable manner within the financial and administrative capacity of the Council	Indigent policy adopted. Coordinated Registration of deserving community members in the indigent register.
	Traffic Policy & Operation and Roads and Traffic By-Law	- The policy is intended to complement the Council's Conditions of Service, providing for regulations for the allocation, operation, maintenance and management of department vehicles and equipment	Traffic procedures approved and adhered to.
	Housing Allocation Policy	- To set a procedure that will guide the Council to deregister beneficiaries that have not claimed their houses for the	Policy Awareness programme done in wards 4, 5, and 13

		period of two months. - Promote speedy occupation of the completed houses; thus reallocating unclaimed houses to the next beneficiaries in the list	
	Cemetery, Funeral Undertakers and Crematoria By-Law		
	Policy on street naming and awarding of council orders	- Regulate the naming and renaming of street - Recognize excellence, and commitment in its performance, community development and support - Recognize contributions made by individuals of Ntabankulu in all walks of life	- Ntabankulu Council resolved on the process to be followed for implementation of the policy.

OVERVIEW OF THE MUNICIPALITY

Ntabankulu Local Municipality EC 152 is located within the Eastern Cape Province, in the OR Tambo District Municipality, 30 km south west of Mt Ayliff. The municipality covers an area of 1 455.9 ha.

The District accounts for 24.98 % of the O. R. Tambo District Municipality population. The total population of the municipality is 141 358, and 27930 households as of 2007 according to Community Survey and 142 432 and 36 399 in as of 2008 according to One Stop Information Survey commissioned by NLM in 2008. Population is distributed amongst 15 wards within the municipality.

Women constitute 58% of the population, while men comprise 48%. The education levels are low with approximately 56 % of the population with no formal schooling and a further 43.6% have only studied up to secondary school level.

Of the potential economically active population, 11% are working, 93.5% of the population does not actively contribute towards the local economy. This accounts for 1.6 % of the total District Average Economic Growth Rate.

Ntabankulu Local Municipality experiences huge infrastructure backlogs, with electricity backlogs of 31 623 households, 29, 518 (DWAE 2008) households with no access to water and sanitation. The municipality further faces low revenue base and is largely reliant on government grants.

Environmental challenges like proneness to disaster, soil erosions environmental degradation, as well as socio-economic challenges related to Health and HIV and AIDS pandemic are experienced within the municipality.

The driving sectors of the economy of the municipality are agriculture, forestry, sand and quarry mining and tourism. Farming is mainly extensive livestock farming of goats and cattle. There are areas of crop farming and forestry, especially in the eastern area. There is forestry potential in Wards 3, 4, 5, 13, 14 & 15 and a local forestry primary co-operative has been registered. Heritage Tourism is also a growing industry due to the unique attractions history and heritage sites like Mowa Site, Ward 13 Xhukula Carves, Ward 07 Ntabankulu Dam, Ward 5 Lalashe Horseshoe Ward 3, Diko Monument Ward 5.

The municipality is placing more emphasis on capacity building and financial viability in order to stimulate economic growth through harnessing its agricultural, forestry and sand & quarry mining potential within the context of the identified priority issues. These include economic growth, improved capacity to support local economic development, meeting the basic needs and improving the quality of service delivery.

The municipality remains committed to the five priority programmes developed and endorsed by the Government.

- a. Focus on health including primary health care
- b. Rural development - improving livelihoods of emerging and subsistence farmers.
- c. Crime prevention
- d. Education
- e. Economic development and job creation
- f. Linkages Programme focusing on improving roads and access to electricity and ICT, in support of economic development.

The planned interventions and partnerships forged between the municipality, and the Department of Economic Development and Environmental Affairs are linked to the spatial development and environmental prescripts.

The municipality will continue to respond to community needs by incorporating their aspirations and needs in all our planning processes and documents such as the IDP, sector plans, programmes and projects.

The municipality continues to place emphasis on monitoring progress made against its vision, mission, and values hence the review of mission and vision in 2009/2010 financial year as follows:

Vision

“A changing Municipality in diversity”

Mission

Ntabankulu Local Municipality “that endeavours to ensure:

- Growth generating local economy,
- Social change
- Sustainable infrastructure through participatory system of local government.

The monitoring and measuring of municipal progress will occur within the legislative framework and policy imperatives, performance evaluation of strategic objectives and targets through effective oversight processes, and tools such as the Service Delivery and Budget Implementation Plan (SDBIP), Performance Management System (PMS).

The Study Area

Ntabankulu Local Municipality is situated in the north-eastern part of the OR Tambo District Municipality, off the National Road to Kokstad. Towns in close proximity are Kokstad, Mt Frere and Mt Ayliff. Flagstaff is accessible through T19 gravel road to the south of Ntabankulu town.

Settlement Patterns and Density

a) Settlement Pattern

Table 1 below indicates that the municipality consists of approximately 94.62% are tribal settlements, only about 2.97% is urban settlement. A small percentage of the area (3.41%) is made of industrial, farm, informal settlements, small holdings, institution, recreational and hostel.

This clearly points out that the municipality is dominated by the rural settlements.

Table 1: Types of Settlements

Type of settlement	No of settlements	Percentage
Sparse (10 or fewer households)	568	2.09%
Tribal settlement	25706	94.62%
Farm	-	-
Small holding	-	-
Urban settlement	910	2.8%
Informal settlement	262	0.96%
Recreational	72	0.27%
Industrial area	24	0.09%
Institution	-	-
Hostel	-	-
Total	27542	100.0%

Source: One Stop Information 2008

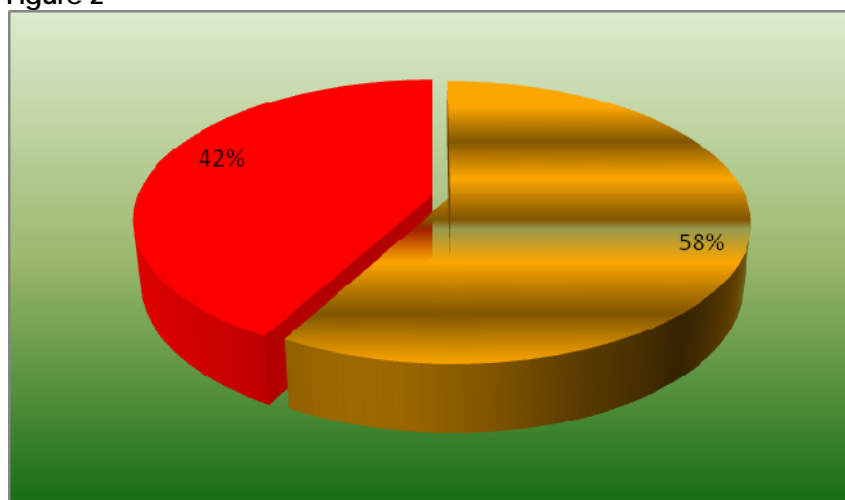
Due to dispersed settlements, an attempt to channel development and service delivery to particular nodal areas, Ward 13 & Ward 4 through the Spatial Development Framework (refer to Draft Spatial Development Framework as adopted by Council in December 2009), has been done. Resource allocation and service delivery should be guided by these nodal areas.

Demographic Profile

a) Population Size and Distribution

#

According to an empirical, scientific and research on socio-economic, infrastructural and cultural pillars of development conducted by the Municipality in 2008; the municipality has a total population of approximately 142 432 people, consisting of 142 207 Black Africans (99,8%). The remaining 0, 2% is composed of 33 Whites, 136 Coloureds and 56 Indians/Asians. This female dominated municipality comprises of **27 542** households. Approximately 58% of the population is women and 42% male as illustrated below.

Figure 2

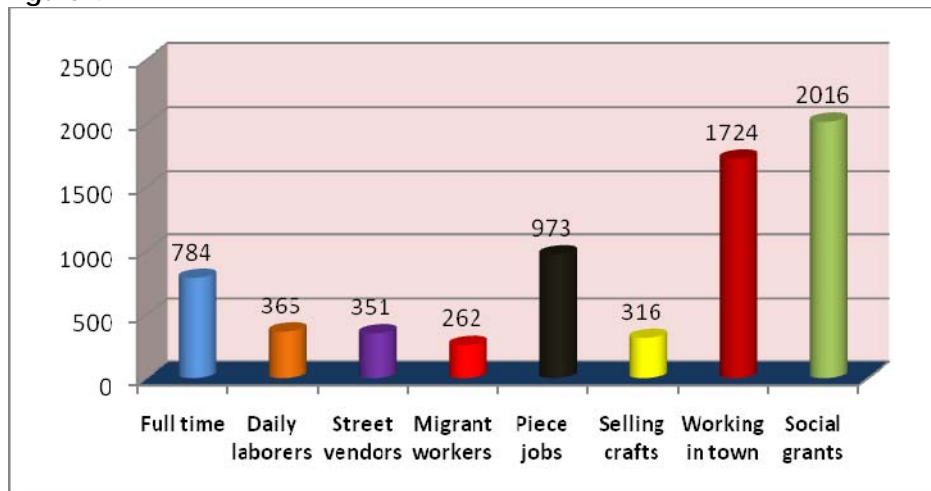
Source: One Stop Information 2008

b) Unemployment Levels

#

Ntabankulu is one of the municipalities with the highest levels of poverty, illiteracy and unemployment in the Eastern Cape. Figure 4 below demonstrates that an estimated 93.5% of the population does not actively contribute towards the local economy while only 11 % is employed. In the context of Fig. 4 below, 11% of the household are full time workers; 5% are daily labourers; while another 5% is attributed to street vendors such as selling fruits and vegetables, 4% is attributed to migrant workers; 14% of the total income is attributed to piece jobs, whereas 5% is attributed to selling of crafts while 25% are working in town. A total of 31% are dependent on social grants to sustain their livelihood. Some of the population is also unemployed either because they are housewives; they choose not to work while some are unable to work due to illnesses or disabilities.

Figure 4



Source: One Stop Information 2008

As illustrated in Figure 4 municipality has limited employment opportunities. Again this has huge implications on the increased need for welfare and indigent support in the municipality. The municipality therefore needs to put priority into service provision, skills and social development.

Social Development/_Social Services

a) Social Grants

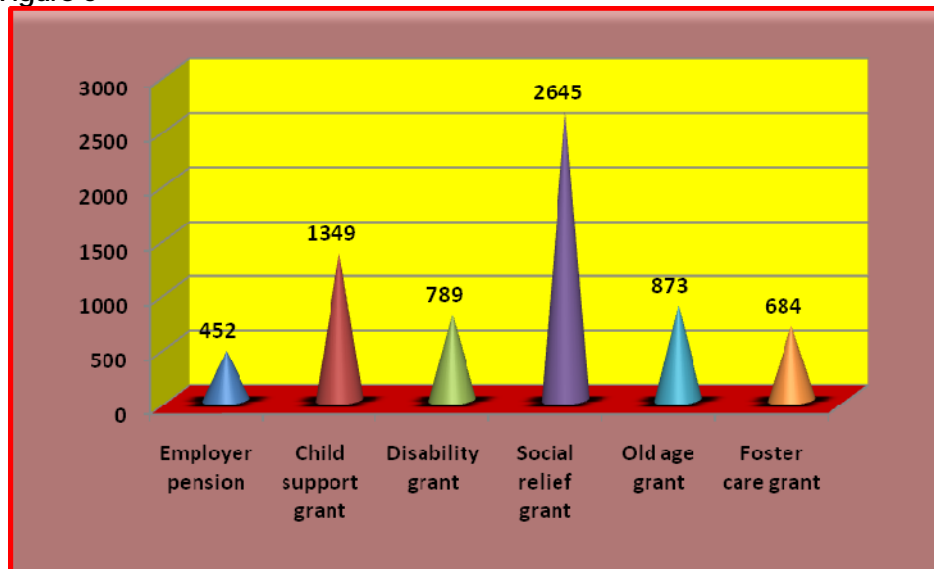
As a result of the low level of education and high unemployment rate, the municipality experiences high levels of poverty. The Department of Social Development (DSD) is currently servicing 15 wards of the municipality. The department renders eight (8) programmes which include:-

- Probation services
- Poverty alleviation
- HIV / AIDS
- Community development.

- Victim empowerment
- Subsistence abuse.
- Disability
- Child, Youth and family.

There is currently a challenge with regards to the increase in the number of orphans and child headed households. Figure 5 illustrates number of people accessing social grants; those that are not receiving though entitled to and the reasons thereof:

Figure 6



Source: One Stop Information 2008

It appears from Figure 6 above that approximately one third of all households receive social grants, from two different grants. The “child support grant” and the “old age grant” are received by significantly many households; 7% household receive employer grant while 10% of the household receive foster care grant and impressively 19% receive child support grant; 38% of the household receive social relief grant and 11% of the household receive Disability grant, and finally 15% of the household survive on old age grants.

Irrespective of governmental grants, the monthly income of most of the households is still very low. In general, more than half of all households have 800 Rand or less per month to live on. About 20% of the households have up to 1500 Rand as a monthly income and about 10% have more than 1500 Rand at hand. The overall economic state of these households may be called critical. It must be emphasized that in many cases governmental grants are the only source of income source.

Even though two third of all households receive governmental grants already, additional 10% have applied for grants without receiving it. In some cases the lack of proper documents such as Identity documents; death certificates etc are the reason for not accessing social grants.

Ntabankulu Local Municipality also adopted Social Assistance Policy (**Refer to Social Assistance Policy as adopted by NLM in 2008/2009 financial year**) that aims at provision of the immediate relief mechanism; providing guidelines on prioritization and equitable allocation of community substance initiatives. 45% of child headed homes, 30% of

support groups & 25% to other indigent people supported through poverty alleviation program by Ntabankulu Local Municipality by end 2009/2010 financial year.

The Department of Social Development is involved in Early Childhood Development projects, to enforce the culture of learning on children at an early stage, in an attempt to decrease the levels of illiteracy. Currently there are 20 pre-schools funded by the department. This includes providing pre-schools with educational toys, food (R9.00 per child per day by number of scholars per pre-school) as well as teachers' allowance. One of the main challenges is the lack of infrastructure, e.g. water, roads to the pre-schools, electricity, etc.

Economic Characteristics

A large part of the population is illiterate, poor and unemployed. The community therefore depends on social pensions and grants as a source of income. Some efforts have been made to decrease the high poverty levels in the municipality. Ntabankulu's key winning formula lies in forestry; agriculture both crop farming and livestock; tourism scenic beauty and heritage; sand and quarry mining; SMME and cooperatives development.

Ntabankulu Local Municipality adopted Local Economic Development Policy with its key objectives aligned to the Eastern Cape Growth and Development Strategy, ASIGISA, Nation address by the President, OR. Tambo District Municipality IDP, O. R. Tambo Growth Development Summit agreement, municipal vision and mission,

- Build the capacity of local community members and other local stakeholders to plan and manage local economic development.
- Stimulate and develop partnerships to plan and implement sustainable Local Economic Development projects
- Facilitate business growth (especially Small & Medium Enterprises) and lever private investment that will specifically benefit the poor.
- Monitor and evaluate LED with a view to understand its impact and share learning's.

Co-operative development strategy in the Local Economic development has been funded by Ntabankulu Local Municipality where small project undertakings were joined willingly to form primary cooperatives at ward level specializing in particular products of comparative advantage. This strategy goes further to say these primary cooperatives will then willing join to form secondary cooperatives at a Municipal level also according to products they produce. The municipality has therefore identified land for market hub (secondary co-operative centre) aimed at achieving sustainable agricultural (crop & animal farming) & forestry business activity. The proposed investment facility has a capacity to produce final agricultural & forestry outputs (**timber & non-timber products**) on site to supply local; regional and provincial retailers.

Evidently such a strategy will ensure easy access funding; training opportunities; create and develop income generating opportunities; strengthen cooperatives competitiveness; and most importantly would rally the people of Ntabankulu behind a particular mission: **the total defeat of poverty**.

Economic Resources

a. Mining Resources

A number of mining resources are available ranging from sand to quarry mining. Challenges such as lack of knowledge and information on existing resources have been identified. A feasibility study has been commissioned by the municipality to identify the key available opportunities and the required intervention. Ntabankulu Local Municipality has secured a sum of R1 million from Thina Sinako for implementation of sand and quarry mining feasibility study recommendations. These recommendations include establishment and registration of community business entities; application for licenses and permits; business plan development; resource mobilization strategies; land community resolutions etc. (refer to sand and quarry mining feasibility study commissioned by Ntabankulu Local Municipality in 2007/2008 financial year). Currently feasibility study has been reviewed, Environmental Management and Business Plans drafted.

b. Forestry

The north on route to Flagstaff has a huge potential and the area north and west of Ntabankulu have potential for afforestation. Wards 4, 5; 13; 14 and 15 also have potential for forestry development. Ntabankulu Local Municipality has secured a sum of R459 000 from Thina Sinako for implementation of sand and quarry mining feasibility study recommendations. These recommendations include establishment and registration of community business entities; application for licenses and permits; business plan development; resource mobilization strategies; land community resolutions etc. (refer to forestry feasibility study commissioned by the municipality in 2007/2008 financial year)

c. Tourism

The existing potential for tourism has not being developed. The Ntabankulu Dam Ward 5 was identified as a possible tourism development node, with potential activities such as fishing, arts and crafts centre and a small conference facility. The area has potential, with great views and rolling grassland to the east of the dam. In addition, Lalashe has a natural horseshoe in Ward 4 is endowed with a river with spectacular features which has potential for ecotourism. The council secured land for Ntabankulu Cultural Village in town ward 5 funded by Department of Economic Development and Environmental Affairs at a total cost of R2 million. The village will support Arts and Craft Centre to be utilized as crafter's production centre. The centre was funded by Department of Sport; Recreation; Arts and Culture at a total amount of R420; 000; first phase renovation is expected to be completed by end March 2009.

Areas with heritage sites in wards 5 Chief Diko Site, Batweni Xhukula Carves in Ward 7, which has some faded San paintings; Lwandlolumvu Traditional Council; Matshona ward 6 and Mnceba ward 10 Missionaries are to be declared as Heritage Sites. In the past twelve months, Batweni Xhukula Grave has been renovated through installation of memorial stone and fencing.

The Mzintlava River, which traverses the north eastern section of the Municipality area, has potential to provide a resource for river rafting in the summer season. There is limited road access to the river due to its steep gorge sides. There are linkages between tourism development and areas suitable for forestry or with existing indigenous forest areas. The need to improve infrastructure and access to these areas, is of utmost importance. Tourism development should be based upon a clear strategy, with spatial links, based on available and planned infrastructure development, as well as market related feasibility.

A route concept with key attractions needs to be developed, based on feasibility and market assessment.

d. Manufacturing

Manufacturing has been limited to be an informal survivalist operation such as sewing, welding etc. Opportunities of getting into a different type of manufacturing operation is also limited by the lack of skills base as well as the unreliability of infrastructure in the area, such as poor roads and electrification. This poses a threat to the efficiency of this development. There is also a lack of pioneers for the establishment of these opportunities. The municipality seeks private partnerships with other stakeholders to develop strategies to improve the manufacturing sector.

The manufacturing sector has to be further developed and harnessed, to assist with decreasing the current levels of unemployment.

e. Agriculture

Agricultural potential exists but needs to be further developed. In order for this potential to meaningfully contribute to local economic development, production has to be increased, to be above the required expectations. Currently agriculture contributes only 2.5% to rural household cash incomes.

A number of factors have been identified to hinder the development of this sector. The agricultural sector is regarded as a lowly profession and so a lot of people are not interested in it. The lack of skills and low levels of education also affect the development of this sector. More focus has been given to subsistence farming and production has been very low even to guarantee subsistence. Land degradation is another problem. Soils are not fertile anymore as people are not engaged in good agricultural practices like crop rotation. Soil erosion is also increasing due to a number of factors including veldt fires, unsustainable infrastructure and a lack of storm water management. Over the past twelve months the municipality has commissioned environmental assessment study so as to identify soil degraded sites, determine the extent and causes of degradation & possible solutions thereof.

COMPREHENSIVE ASSESSMENT REPORT

KEY PERFORMANCE AREA	ISSUES	STATUS QUO	CHALLENGES/ GAPS & REQUIRED SUPPORT
INSTITUTIONAL TRANSFORMATION	1. Organogram 1.1 Total no of posts 1.2 Total filled 1.3 Total vacant	225 127 98	High vacancy rate due to limited financial resources.
	2. Diversity-equity 2.1 Total women 2.2 Total men 2.3 Total disabled 2.4 Total youth	66 49 None 86	Physically challenged people have not been employed.
	3. Diversity-occupational categories <u>3.1 Councillors/Legislators</u>	28	Low literacy levels amongst councilors ,only 8 have NQF 4
	3.1.1 Total Women	13	
	3.1.2 Total Men	15	
	3.1.3 Total Disabled	None	
	3.2. <u>Senior Managers/Directors</u> 3.2.1 Total Women 3.2.2 Total Men 3.2.3 Total Disabled	05 02 03 None Qualifications Municipal Manager BA.LAW Finance Manager B. of Accounting Corporate Services B.JURIS,LLB Strategic Planning and Development ND Travel and Tourism Social Services B.Sc, HDE	All Strategic Positions are filled except for Engineering Manager position. Employee turnover is high therefore stability at management level cannot be guaranteed.
	<u>3.3. Professionals</u> 3.3.1 Total Women 3.3.2 Total Men 3.3.3 Total Disabled	44 29 15 None	
	<u>3.4. Technical/trades man</u> 3.4.1 Total Women	8 3	Inability to attract skilled/specialist skills. Rural nature of the municipality and under-development

KEY PERFORMANCE AREA	ISSUES	STATUS QUO	CHALLENGES/ GAPS & REQUIRED SUPPORT
	3.4.2 Total Men	5	
	3.4.3 Total Disabled	None	
	4. Machine operators/Drivers	13	Capacity building in advanced driving skills.
	4.1. Total Women	None	
	4.2. Total Men	13	
	4.3. Total Disabled	None	
	5. Clerical and Administrative Staff	38	Batho pele training is still needed.
	5.1. Total Women	24	
	5.2. Total Men	14	
	5.3. Total Disabled	None	
	6. Labourers	67	Literacy very low, since this group does not require skills. On the job training.
	6. 1. Total Women	27	
	6.2. Total Men	40	
	6.3.Total Disabled	None	
	7. Training and Development	Local Gov. Law, Business English and Computer Literacy training for councilors has taken place.	Training in computer literacy has not been fairly attended.
	7.1 Work place skills Plan		
	8. Human Resource Policies	Recruitment and capacity building	Scarce skills difficult to attract and retain.
	9. Labour Relations	LLF was established but does not meet as required.	Union Representatives were sensitized of their responsibility to revive the LLF, and have since not deliberated on the matter.
	9.1 Status of LLF		
BASIC SERVICE DELIVERY	1. Roads and storm water	498 Km for all wards 52 Km 117 Km	Increase of MIG allocation. Increase capacity in-house through secondment of engineers, architects, quantity surveyors etc.
	1.1 Access Roads backlogs		
	1.2 Access Roads completed and currently constructed		
	1.3 District roads		
	2. Water Services		
	See table below		

KEY PERFORMANCE AREA	ISSUES	STATUS QUO	CHALLENGES/ GAPS & REQUIRED SUPPORT
	3. Sanitation Services 3.1 Incomplete 3.1.1 Ward 3.1.2 Village	All wards Ward 01 Dumsi, Madlalisa, Bhayi, Zamukulungisa, Mawonga, Vane. Ward 2 Mandiliva, Silindini, Sidakeni, Nyabeni. Ward 3 Ndile, Madwaba, Mthukukazi, Ngcwamane, Dinwayo, Ntlambashe, Dambeni, Manxudebe. Ward 4 Ludeke, Lalashe, Bomvini. Ward 5 Madwakazana, Ndwana, Mcepheni, Qhiphu. Ward 6 Ndakeni, Dalinyebo, Mangqoyini, Matshona, Ntsinyane. Ward 7 Ngozi, Xhukulu, Mngcifeni, Nqalo, Mhleleni, Mqatyeni. Ward 8 Mkhonqo, Msommntawana, Nkompolweni, Mnxekazi, Mafusini, Mpolosa, Papane. Ward 9 Cacadu, Ngcanaseni, Mthonjeni, Lubala, Lugalakaxa, Maxhegwini, Bagqozini, Ngwemnyama, Cedaville, Saphukanduku. Ward 10 Ntsamanzi, Mjelweni, Phungulelweni, Tsita, Mvenyane. Ward 11 Magcakaneni, Bakuba, Mzalwanini, Nomgalashe, Bonxa. Ward 12 Ncama, Hlankomo, Mabhudu, Dambeni, Mbangweni, Yandlala Mpisini. Ward 13 RCC, Ngqane, Ngonyameni, Mowa, Marhamzeni, Vulindlela. Ward 14 Mazeni, Dakhile, Mfundisweni, Cetshe. Ward 15 Mkhomanzi, Sipetu, Zola, Gxwaleni, Ntshentshe	DPLG to engage DWAF, O. R. Tambo DM. Priority Ward 5 Ntabankulu Town Sanitation System due to: Septic tank spillages & digester tanks. Ward 1 & 4 sanitation with open pit-holes that is hazardous to animals & community members.
	3.2 Complete 3.2.1 Ward 3.2.2 Village	None Ward 1 Ixopo. Ward 2 Zinyosini, Mathole. Ward 3 Ndile, Madwaba, Mthukukazi, Ngcwamani, Dinwayo, Ntlambashe, Dambeni, Manxudebe.	DPLG to engage O. R. Tambo and DWAF to finalize those wards completely.

KEY PERFORMANCE AREA	ISSUES	STATUS QUO	CHALLENGES/ GAPS & REQUIRED SUPPORT
		Ward 4 Msukeni, Mzwakazi, Mngeni. Ward 5 Town. Ward 6 Matyeni. Ward 7 Nkumbe, Nkwantsana, Lugagatho under Gxeni, Nowalala under Mpoza. Ward 8 Ngojini, Chibini, Manaleni. Ward 9 Mjila, Madamini, Vann, Siyaya, Sikhulu, Mpemba, Lufafa, Tlali, Mpendla. Ward 10 None completed. Ward 11 Lucingweni, Sikhumbeni. Ward 12 Ngqwashu. Ward 13 None completed, Ward 14 Lunzwana, Mbhongweni, Ntuli and Dedelo. Ward 15 Manzana, Bhisu, Xhama, Mbongweni	
	4. Preschools 4.1 Backlogs 4.2 Planned	148 Pre-schools 03	Increase of MIG allocation to address pre-schools backlogs.
	5. Community Halls (MPCC's) 5.1 Backlogs 5.2 Planned	19 03	Increase of MIG allocation to address community halls backlogs.
	6. Bridges 6.1 Backlogs 6.2 Planned	14 02	Department of Roads & transport & Public works to provide financial support for construction of bridges.
	7. Electricity 7.1 Backlogs 7.2 Planned	31 000 Households 700	Support from Department of Energy to engage Eskom to reduce electricity backlogs.
	8. Free Basic Services 8.1 Indigent Population 8.2.1 Non-grid 8.2.2 Grid	1390 Households 265 Households	
	9. Housing 9.1 Backlogs	45300 Houses in all Wards	
	9.2 Planned	Rural Housing 600 units in Ward 4 & Ward 13	Department of Human Settlement to accelerate processes towards construction of rural housing
		500 Low cost in Ward 5 Ntabankulu Town 124 Middle income houses in Ntabankulu Town.	DBSA funded scoping study for the project towards construction of 500 Units in town
	9.3 Under construction	471 Low cost Housing in Ntabankulu Town	
LOCAL ECONOMIC DEVELOPMENT, PLANNING & ENVIRONMENT	1. IRSDP 1.1. LED Strategy/Plan	LED Strategy/ Plan was adopted by NLM Council in June 2009 focuses on the ff. commodities.	NLM LED has to be reviewed to encompass forestry plan that highlights projects within the forestry sector. The LED plan identifies tourism sector as one of NLM potential; destinations such as Ntabankulu Dam recreational facilities, Lalashe Horseshoe, Heritage sites Mowa & Xhukula, are not yet developed.

KEY PERFORMANCE AREA	ISSUES	STATUS QUO	CHALLENGES/ GAPS & REQUIRED SUPPORT
			Funding to develop tourism destinations.
	1.1.1. Commodities	Agriculture (livestock & crop farming), Tourism (Arts, culture, heritage, destinations), Forestry, Sand and Quarry Mining	Baseline & Feasibility studies have been conducted for all commodities; and soil tests have been conducted for areas demarcated for agriculture. Funding for implementation of recommendations of feasibility studies is required.
	1.1.2. Institutional Arrangements	Within LED plan co-operative development strategy where small project undertakings specializing in that commodity, were joined willingly to form primary co-operatives for sustainability, access to markets etc.	Primary co-operatives still struggling to access market due to roads infrastructure network. MIG to allocate more funding for roads infrastructure.
		38 primary co-operatives have been registered specializing in arts, craft, sewing, and agriculture (livestock & crop farming). 15 primary co-operatives trained in business management, financial management, co-operatives governance etc.	Financial support to facilitate implementation of LED Plan to support co-operatives for sites identified for secondary co-operatives: <ul style="list-style-type: none">• Construction of Ntabankulu market Hub as an agro-processing centre,• 600 sqm² of land has been identified in Ntabankulu Town for the centre has not been surveyed, funding is needed.• Funding for fencing of crop farming fields.• Funding for second phase construction of Arts and Craft centre• Funding for second phase of Cultural Village
		NLM is in a process of registering Sand & Quarry Mining, Forestry community trusts.	Funding for capacity building of community trusts. Partnerships are also required in forestry & sand and quarry mining initiatives.
	1.2 Business Support 1.2.1 Retail industry 1.2.2 SMME's 1.2.3 Co-operatives 1.2.4 Community Trusts 1.2.5 Close Corporations	20 Construction SMMEs were trained in Basic Business Management and Basic Financial Management by SEDA. Workshop & registration on CIDB & NHRBRC) for 20 construction based SMME's. Data for all existing businesses has been collected & is updated on annual basis. 114 SMME's registered in Ntabankulu database from Ward 1-Ward 15 38 Co-operatives from all wards 45 Close-Corporations	DPLG has gazetted NLM by-laws on the 15 January 2010. The process of implementation and enforcement of by-laws has started to ensure compliance to: <ul style="list-style-type: none">• Trading regulations by laws:• Building regulations by laws• Liquor trading hours by laws• By laws relating to sale of meals/food, and perishable foodstuffs.• Advertising by laws

KEY PERFORMANCE AREA	ISSUES	STATUS QUO	CHALLENGES/ GAPS & REQUIRED SUPPORT
	2. Jobs created 9.2 Youth,	120 youth members specializing in arts and craft, construction, retail industry	Gap is with the formal trading entities the do not form part of the LED strategy. Funding for training & registration of community business entities to be legal entities Registration with professional bodies.
	9.3 Women	Women diversity is at 90% in 38 primary co-operatives established; 250 women. 55% of attendees were women who attended Basic Business Management and Basic Financial Management, and general requirements of tendering processes by SA tender institute.	Ntabankulu Local Women Multi-purpose cooperative was launched as per the resolutions the Women Summit held in October 2010. Sector has not yet been implemented.
	9.4 Disabled	Sector plan for the disabled was adopted by Council. 8 disabled youth have been sent to Enoch Sontonga.	The sector plan has to be reviewed and re-launch of the structure.
	3. Planning 3.1 SDF 3.2 LUMS	Spatial Development Framework & LUMS were adopted by the NLM Council 2009/10	Funding for surveys, layout & conveyance of the identified land for: <ul style="list-style-type: none"> • Warehouses • Church sites & • Business Sites • Administrative sites
	4. Environment 4.1 Soil Assessments 4.2 Bio-diversity (Alien species/invasive plants).	NLM committed R150, 000 for Soil Assessment to identify soil degraded sites and extent of degression. NLM committed R400, 000 for removal of alien species and rehabilitation plan.	Community based plans identify soil degraded areas, alien species in some villages in all of the 15 Wards of NLM. Funding from Department of Agric Land Care, DAFF, WfWP, and DEDEA to rehabilitate soil degraded sites and Greening of identified sites.
	4.3. EIA	NLM facilitate processes of obtaining Environmental authorizations for all Developmental projects.	DEDEA, DME to expedite processes of issuing authorizations as they setback development.
	4.4. Waste management 4.3.1 Solid Waste 4.3.2 Waste Water 4.3.3 Medical Waste	The council has adopted a draft IWMP which is due for reviewal in 2010/11 financial year. Waste management by-laws have been developed 15 Youth members of Zibambe Ziqine Cooperative have been trained in recycling	DPLG Legal Department has gazetted on 15 January 2010 NLM Waste management by-laws. Construction of Infrastructure for buy-back centre is due to commence soon.
	FINANCIAL VIABILITY &	1. Budget &	
		Draft budget aligned with	

KEY PERFORMANCE AREA	ISSUES	STATUS QUO	CHALLENGES/ GAPS & REQUIRED SUPPORT
MANAGEMENT	Treasury 1.1 Budget Preparation	IDP was tabled to Council and approved by 31 st March & Final budget was adopted on 25 th June 2010.	
	Reporting MFMA Compliance report	Approved budget (Circular 28) and Appendix A was submitted to Provincial Treasury and National Treasury.	
		Submission of monthly, quarterly budget statements (reports) to Council, Provincial Treasury and National Treasury.	
	2. Expenditure and Asset Management 9.4 Fraud prevention strategy	Monthly expenditure and variance reports to departments and Finance standing Committee. Fraud prevention plan was adopted by Council and a whistle blowing policy is due for finalization.. Implementation of internal control systems(Policies)	To fully operationalize Pastel Evolution Funding to develop creditors module so as to account for all NLM creditors.
	9.5 Asset Management		
		Reviewal of monthly, quarterly reports and source documents by Internal Audit unit.	To fully operationalize Pastel Evolution
		Updated and maintained asset register as at 30 June 2009 Reconciled asset register to General Ledger as at 30 June 2009	Conversion of asset register and AFS to be GRAP compliance. A service provider has been appointed to facilitate conversion into GRAP.
	3. Revenue Management	General valuation roll was finalized .	Extra funding for Interim Valuation; towards implementation of property rates act.
		Developed draft rate policy and by-law	
	4. Supply Chain Management	The policy was adopted and implemented.	
		Bid evaluation and adjudication committees were established and trained.	Funding for more training of committee members is still a requirement.
		Monthly, quarterly reports for all bids above R100 000.00 to Municipal Manager, Council and Treasury Office.	

KEY PERFORMANCE AREA	ISSUES	STATUS QUO	CHALLENGES/ GAPS & REQUIRED SUPPORT
	4.1 Internal Controls	<p>Supply Chain Management Policy,</p> <p>Debt Collection and Credit Control policy</p> <p>Asset management policy,</p> <p>Banking policy</p> <p>Indigent policy</p> <p>Budget policy</p> <p>Were adopted and Implemented by the municipality.</p> <p>Segregation of duties between Finance and Corporate Service Department regarding payroll (Finance facilitate payment section and Corporate initiate and authorise all the transactions)</p> <p>Reliability of AFS in compliance with MFMA regulations and policies</p>	Debt collection and credit control policy not yet implemented, still in the process of clearing untraceable opening balances.
	5. Financial Viability 5.1. Relations 1. Grants 2. Own Collection 5.1.3. Operating capital & personnel	<p>R61 728 359.00 (96%)</p> <p>R 2 815 000.00(4.36%)</p> <p>R13 975 000.00 (21% of total budget)</p> <p>R28 591 359.00 (44% of total budget)</p> <p>R21 237 761.00(33% of total budget)</p>	<p>Service delivery depends upon grants from National allocations.</p> <p>The Municipality also depends upon Equitable share for indigent funding to its communities (FBS and Rates)</p>
	6. Revenue Enhancement 6.1. credit control 6.2. Debt collection 6.3. System	<p>Debt collection and credit control policy was adopted by the Council</p> <p>Clearance of untraceable opening balances was done successfully with positive results wherein rate payers committed to pay off the outstanding monies owed</p>	<p>Poor revenue collection due to debt collection & credit control policy that is not implemented.</p> <p>Financial to non-financial support to develop revenue enhancement strategy</p>
GOOD GOVERNANCE	1. Delegation Framework	Delegation Framework adopted by NLM Council with clear roles and responsibilities	
	2. Audit Committee	<p>Internal audit unit is functional; & Audit Committee has been fully established; planned to sit quarterly.</p> <ul style="list-style-type: none"> The Audit Committee is composed of the following direct appointees: Mr. AP. Wakaba (Chairperson), Mr. F.H. Nyezi and Mr. S.S. Mbuthuma. Audit Charter adopted by Council on 25th June 	

KEY PERFORMANCE AREA	ISSUES	STATUS QUO	CHALLENGES/ GAPS & REQUIRED SUPPORT
		2009 (attached). <ul style="list-style-type: none"> Internal Audit Charter adopted by Audit Committee Risk Management strategy adopted by Audit Committee 	
	3. Intergovernmental Relations	IGR Forum was officially launched in January 2010.	Departments delegated individuals with decision making powers, in the inter-sectoral forum and its sub-forums. District offices are not locally, resulting in the municipality not being made a priority when planning.
	4. Public participation 4.1 Ward committees & CDW's	Functioning of Ward Committees Policy adopted 150 ward committees in 15 wards established, Ward councillors as chairpersons, nine desks and their functions. 11 CDW's have been established under the Office of the Mayor. CDW Reports form part of the Ward Committee meetings that are held monthly.	Funding for capacity building and compensation for functioning of ward committees.
	4.2 Traditional Leaders	5 traditional Councils in Ntabankulu participate in IDP, Budget, SDBIP, PMS processes.	Extra funding in the program of traditional leader's capacity building.
	5. Outreach Programs 5.1 Imbizo's	Exco outreach programs during community based planning processes in order to collate ward needs & priorities.	All Sector Departments to be part of the outreach programme.
		Involvement of communities in IDP, Budget, SDBIP & PMS.	
		Exco outreach programs during policy, by-law facilitation, community education etc	
	5.2 ICROP	No of people received social grants: 600 No of people received enabling documents i.e. ID's, birth certificates etc: 1444	IT equipment, computers upgrading at SASSA & Social Development local offices to expedite registration and approval of social grants. Foster care grants backlogs in all wards; due to non-availability of doctors for assessment & magistrate for approval. Intervention by Department of Health and Department of Justice & Constitutional Development.
	5.3 Indigent Registration	The Indigent Register has been established with 2400 applicants, of which 1000 already receive alternative energy supplied by the	The system is not user friendly to update and retrieve information. There is no proper coordination between the district and local municipalities on the indigent registration.

KEY PERFORMANCE AREA	ISSUES	STATUS QUO	CHALLENGES/ GAPS & REQUIRED SUPPORT
		municipality.	Awareness needs to be intensified for indigent and urban residents are reluctant to apply.
	5.4 Traffic Department	The Traffic Office has been renovated to meet the requirement of a learners licence testing center. Traffic and admin personnel has been employed as prioritized in the organogram.	Capacity building for the newly employed staff needed. Funding toward establishment of a fully fledged Drivers Licence Testing Center.
Cross-cutting issues	1.IDP 1.1. CBP	Ntabankulu IDP, Budget, SDBIP & PMS has been informed by Ward Based priorities in 15 wards. Community based plans have been reviewed in January 2011.	Community members are not well acquainted in identifying development priority needs which poses a challenge on the credibility of our IDP. Funding for training of community members on Community Based Planning.
	1.2. Process	Process plan adopted by 30 th August 2011 and presented to relevant stakeholders as per legislation, listing activities, target dates and purposes for all activities.	Extra funding is required in order to effect the activities as identified in the process plan.
	1.3. Adoption	Draft IDP was adopted by the council on the 31 st March 2010 and the final Integrated Development Plan and 2010/11 Budget was adopted on the 25 th June 2010.	
	2. SDBIP 2.1. Approval	Adoption of the SDBIP and Institutional score cards was done on the 25 th June 2010.	Dependency of NLM on national grants affects implementation of SDBIP.
	3. Annual Reports 3.1. Drafting	2009/2010 annual report has been drafted and forwarded to Auditor General and COGTA and will be tabled to Council.	
	3.2. Adoption	The Annual Report is to be presented to council in January 2011.	Annual Report will be adopted in the next Council meeting.
	4. PMS 4.1. Section 57 contracts	All section 57 employment contracts were signed for 2010/11 financial year, and submitted to DPLG.	Full implementation of Performance Management System for Section 57 managers has been initiated.
	4.2. Monthly Assessment	Managers prepare monthly reports. Convene a monthly management meeting. Consolidate monthly report. Solicit Municipal Managers' approval (MM signs a monthly report). Institutional	Consistency in reporting style still poses a challenge to individual departments.

KEY PERFORMANCE AREA	ISSUES	STATUS QUO	CHALLENGES/ GAPS & REQUIRED SUPPORT
	4.3. Quarterly assessments	<p>Performance Assessment. Monthly reports are then compiled into quarterly reports that are then tabled at the Standing Committees, EXCO & Council which sits quarterly.</p> <p>Managers prepare quarterly report. Convene a quarterly management meeting. Consolidate quarterly report. Solicit Municipal Managers' approval (MM signs a quarterly report). Reviewed SDBIP. Institutional Score Card. Individual Performance assessment.</p>	Targets set are not SMART sometimes, which poses a challenge on implementation.
	5. USAGE OF REVENUE		
	5.1. MIG	<p>95% of the allocation is used in capital projects; i.e. construction of access roads, community halls, sports fields, street lighting, preschools; pedestrian bridges.</p> <p>5% in environmental management such as clean and green.</p>	The allocation is insufficient to address the backlog in infrastructure development.
	5.2. MSIG	<p>70% of the allocation is utilized for public participation.</p> <p>30% utilized for implementation of property rates act</p>	Funding allocation is insufficient to implement the requirements of the gazette for payment of ward committees.
	5.3. Equitable Share	<p>33% of the allocation is used for salaries.</p> <p>39.5% utilized for Capital expenditure.</p> <p>15% utilized for repairs and maintenance.</p> <p>12% utilized for general expenditure</p> <p>0.5% utilized for Indigent</p>	The allocation is not appropriate to address the needs of the municipality as allocation is proportional to the population statistics which is outdated.
	5.4. FMG	<p>30% utilized for Financial Management</p> <p>20% utilized towards Internship programme</p> <p>50% utilized for preparation of AFS</p>	Insufficient financial resources to achieve the 'Operation Clean Audit' objectives.
	5.4. Own Revenue	Improvement of the urban area.	Unwillingness of ratepayers to pay yielding of
	5.5. Other Revenue	General expenditure	

EXECUTIVE SUMMARY

Figures 1 & 2 below seek to integrate the municipality's planning cycle, implementation and Performance Management System, taking into cognizance the national IDP's focus areas i.e. service delivery, institutional arrangements, economic development, financial management and good governance. Furthermore it links the municipality's overall developmental goals, objectives and how the municipality has planned to achieve these objectives during 2009/2010 financial year.

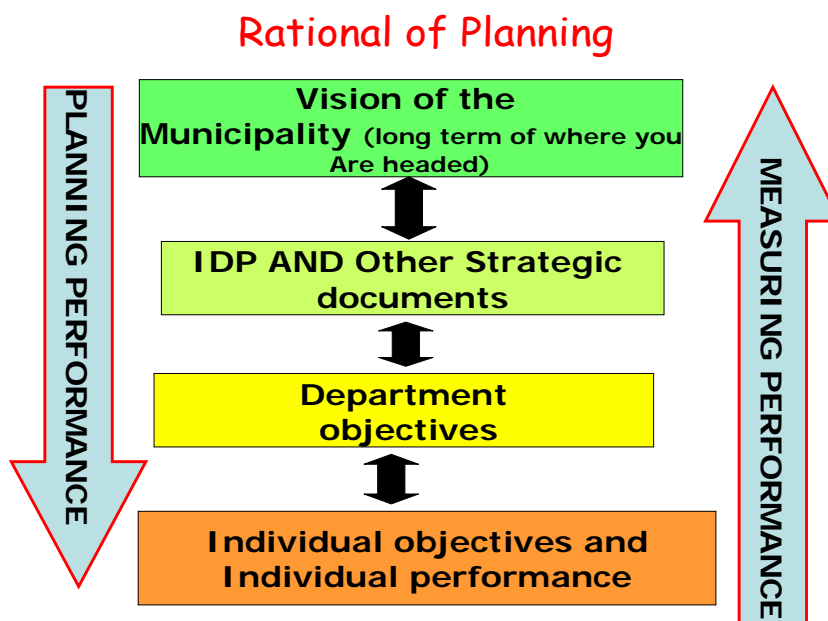
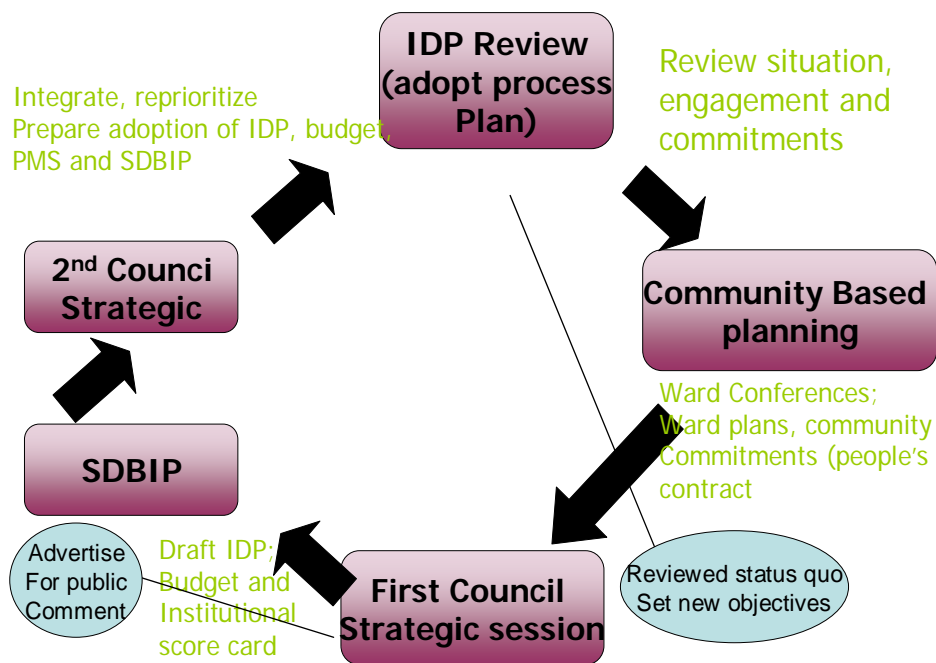


Figure 1: Our rationale for planning



Vision

"A changing Municipality in diversity"

Mission

Ntabankulu Local Municipality “that endeavors to ensure:

- Growth generating local economy,
- Social change
- Sustainable infrastructure through participatory system of local government.”

PART 2: KPA Achievement Reports

KPA 1: Institutional transformation and Organizational Development

The municipality focuses on strengthening administration so as to leverage levels of performance, to minimize the risks of poor service delivery and to ensure that transformation benefits the most vulnerable.

The municipality has successfully adopted reviewed 2009/2010 organizational structure so as to structure our administration in the best possible way to allow the institution to transform in a way contemplated in various legislations.

Human resources

Prioritized vacancies in the following departments were filled:

- Finance -6
- Corporate Services -5
- Strategic Development- 5
- Engineering Services-0
- Social Services-2
- 6 employees promoted

1.1 Presentation of the organizational structure (approved organogram attached as annexure Corp 1)

- Total number of approved posts are 261
- Total number of vacant posts is 113
- Total number of performance agreements and employment contracts are six

1.2 Staff development initiatives during the Financial Year

- The municipality has targeted training for its staff complement in all occupational levels:-

(Refer to the attached training report)

- The municipality has an approved HR plan reviewed every year.

The WSP budget that was set aside for the financial year has been exhausted and not all training has been conducted.

1.3 Key HR statistics per functional area

1. Full time staff complement per functional area

	Approved positions (e.g MM-S57 etc...)	Number of approved and budgeted posts per position	Filled posts	Vacant posts
1	Office of the Municipal Manager	5	4	1
2	finance	22	13	9
3	Strategic and Development Planning	14	10	4
4	Corporate Services	59	33	26
5	Social Services	95	45	50
6	Engineering	49	25	24

2. Staff complement in the technical services

	Approved position Engineering Department	Number of approved and budgeted posts per position	Filled posts	Vacant posts
1	Manager	1	0	1
2	PA	1	1	0
3	Technician Capital Projects(roads, bridges)	19	3	16
4	Technician Maintenance and Operations(buildings)	28	17	11

3. Technical staff registered with professional bodies

Technical	Total number	Total number	Total number	Total
-----------	--------------	--------------	--------------	-------

Service (e.g water, electricity etc...)	of technical service Managers	registered in the accredited professional body	pending registration confirmation in the accredited professional body	number not yet registered in the accredited professional body
Engineering Manager	0	None		0
Engineering Technical Staff	1	ECSA		3

4. Levels of education and skills entire staff complement

Total number of staff	Number of staff without Grade 12	Number of staff with Senior Certificate only	Number of staff with Tertiary/accredited professionals training
154 excluding 29 councillors	88	32	34

5. List of pension and medical aids to whom employees belong (please add if necessary)

Names of pension fund	Number of members	Names of medical Aids	Number of members
Samwu provident fund	116	LA health,	44
		Samwu Med,	02
		Bonitas	44
		Hosmed	06

1.4 Implementation of the Performance Management System (PMS):

- PMS policy was adopted by Council and is being implemented.
- The municipality draws every year institutional score card based on the IDP from which individual score cards for managers are drawn and signed for implementation and monitoring of the SDBIP.
- Further implementation is that the performance management must cascade down to employees under section 57 managers.

1.5 Annual performance as per key performance indicators in municipal transformation and organizational development

	Indicator name	Total number of people (planned for) during the year under review	Achievement level during the year under review	Achievement percentage during the year	Comments on the gap
1	Vacancy rate for all approved and budgeted posts;	41	41	100%	
2	Percentage of appointment in strategic positions (Municipal Manager and Section 57 Managers)	6	5	99%	
3	Percentage of Section 57 Managers including Municipal Managers who attended at least 1 skill development training course within the FY	3	3	100%	
4	Percentage of Managers in Technical Services with a professional qualification	1	1	100%	
5	Percentage of municipalities within the district area that have a fully functional Performance Management System (DM only)				
8	Percentage of staff that have undergone	116	116	100%	

	a skills audit (including competency profiles) within the current 5 year term				
9	Percentage of councillors who attended a skill development training within the current 5 year term	29	15	50%	
10	Percentage of staff complement with disability			0%	
11	Percentage of female employees			60%	
12	Percentage of employees that are aged 35 or younger			70%	

1.7. Major challenges and remedial actions in regard to human resource and organizational management

SKILLS SHORTAGE

- The Municipality rural, not easy to attract and retain engineers and accountants

REMEDIAL ACTION

- Focus more on training

KPA 2: Basic Service Delivery

We are currently engaged in different ways of accessing funding and we have engaged different funders to assist in better capacitating our department to be able to deliver on this mandate through the acquisition of plant machinery.

To this end we wish to appreciate the intervention by the department of Transport. We are working closely to address this but more is needed.

5.1 Roads and storm water

Maintenance

- Pothole patching is provided when the need arises in the surfaced areas.
- Unblocking of drainage pipes is provided when need arises
- The department has provided 13km bladding of town internal roads

The following access roads were re-graveled through the Department of Roads and Transport program:-

- Zulu-Gxeni 6km
- Hlankomo – Ngonyameni 13km

Management of civil engineering capital projects

The following access roads were completed and handed over to their communities in the past 6 months:-

- Nodali – Zimele 5,3 km
- Mjelweni 5,5 km
- Mngeni – Msukeni 7,5 km
- Nyabeni – Manaleni 8 km

5.2 Free basic services

The total number of beneficiaries receiving free basic services is as follows:-

- Green Heat Gel 1050 beneficiaries
- Free Basic Electricity 360 Beneficiaries
- Solar Panels 359 Beneficiaries

5.3 Buildings

Completed Community halls:-

- ✓ Cola Community Hall
- ✓ Madwakazana Community Hall
- ✓ Ngqane Community Hall

Renovation of Municipal Properties

- ✓ Municipal Tuck Shop was renovated for rentals
- ✓ Traffic offices were renovated and the park home for the learner's license class was purchased.
- ✓ Office space for the Municipal Archives was provided
- ✓ The Library was extended to provide space for the study area.

5.4 Challenges faced by the municipality in providing Engineering and Infrastructure services

Roads Infrastructure

- ✓ The Municipality is utilizing the MIG funding which is never enough for the construction of access roads and resulting in a very slow progress towards reducing the backlogs.
- ✓ The MIG policy does not accommodate the nature of Ntabankulu relief versus the total number of population. Ntabankulu is very mountainous with a relatively small population. This makes infrastructure development to be very expensive yet the allocation is based on the total number of the population.
- ✓ The municipality is unable to receive enough revenue for the maintenance resulting in the reverse backlogs.
- ✓ Since housing delivery is not main function of the Municipality: it is not easy for the Municipality to recruit human resource that is fully dedicated for the function
- ✓ This results to the following:
 - Improper monitoring and evaluation of process during the implementation of these projects
 - Poor quality end results

KPA 3: LOCAL ECONOMIC DEVELOPMENT (KPA 3)

4.1 THE LED PLAN

The municipality adopted LED plan for 2009/2010 financial year as guided by the following legal prescripts:

- The Constitution of the Republic of South Africa (Act 108 of 1996),
- State of the Nation Address,
- National LED Framework,
- National Spatial Development perspective (NSDP),
- Accelerated and Shared Growth Initiative of South Africa (ASGISA),
- The Eastern Cape Provincial Growth and Development Strategy (PGDS),
- OR. Tambo District Municipality IDP and Ntabankulu IDP,
- O. R. Tambo Growth Development Summit agreement, municipal vision and mission,

The economic strategy is hereby formulated by the council based on the call to support a sustainable urban and rural economic development. Essentially the strategy focuses on the following key sectors:

- **Tourism:** Tourism Destinations, Arts Culture and Heritage
- **Agricultural development:** Crop Farming and Livestock Improvement
- **Forestry Development:** New Afforestation, Indigenous, and Commercial
- Sand Mining and Quarry development
- Business Support

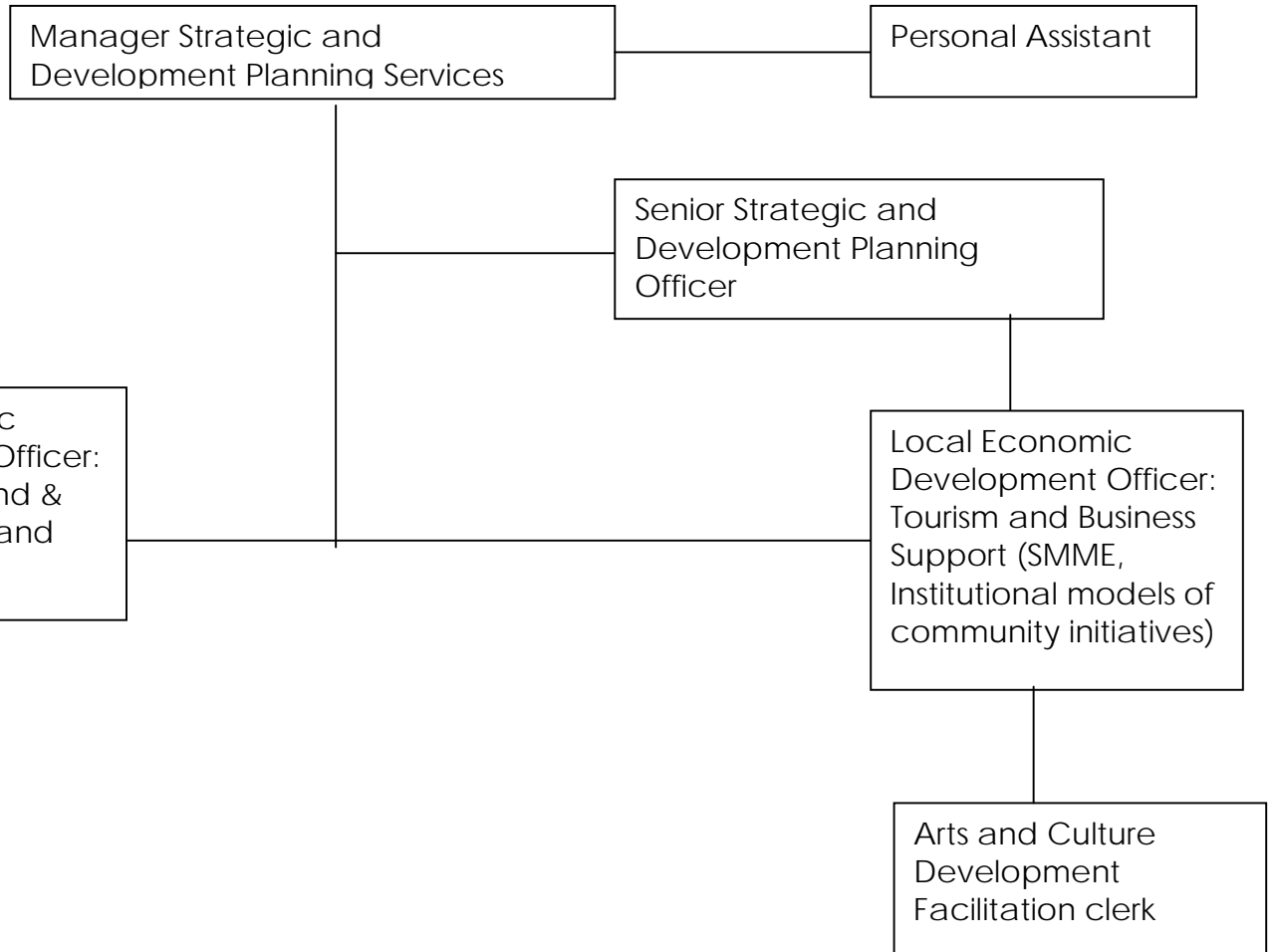
The LED key objectives are therefore aligned to the above-mentioned legal prescripts, as follows:

- Build the capacity of local community members and other local stakeholders to plan and manage local economic development,
- Stimulate and develop partnerships to plan and implement sustainable Local Economic Development programs and projects,
- Facilitate business growth (especially Small & Medium Enterprises) and lever private investment that will specifically benefit the poor,
- Monitor and evaluate LED with a view to understand its impact and share learning's.

Our mammoth task is to create an environment for the creation of jobs and the prospering of business initiatives. Particular attention has been paid in developing existing voluntary group projects into legal business community entities hence establishment of 37 co-operatives, specializing in different commodities of comparative advantage

2.3.1 THE LED UNIT TEAM

- LED, Environment, & Planning Portfolio Head
- Four councilors as members of the Committee
- Strategic Development and Planning Manager
- Senior Strategic Development Planning Officer
- LED Officer * 2
- Arts and Craft Development Facilitation Clerk *1



2.3.2 LED STAKEHOLDER FORUMS

The municipality adopted and launched its Inter-sectoral Forum in March 2010, wherein the following sub-sector forums within the LED unit are scheduled to sit quarterly:

- 2.3.2.1 Planning, Environment LED Sub-sector Forum which serves as a platform to assess performance on plans and objectives that were set

- 2.3.2.2 Tourism, Arts Culture and Heritage Sub-Sector Forum to facilitate promotion and protection indigenous knowledge systems (IKS); intensify support for promoting the history and culture of Ntabankulu communities.

The main role players involved in planning, implementation and monitoring of programs and projects are the following:

- Thina Sinako
- Department of Economic Development and Environmental Affairs
- SEDA
- OR Tambo District Municipality
- Alfred Nzo District Municipality
- Department of Cooperative Governance and traditional Affairs
- Eastern Cape Development Co-operation
- Department of Mineral Resources
- Department of Water Affairs
- Department of Agriculture, Forestry and Fisheries
- Department of Agriculture and Rural Development
- Department of Labour
- Department of Sports, Recreation, Arts and Culture

Seven **(07)** Project Steering Committee Meetings held in the past six months to monitor progress in the following projects as funded between 2008/2009 to 2010/2011 financial years:

Project	Source of funding	Financial Year	Amount funded	Status Quo of the project
Tourism: Arts and craft centre	DSRAC	2008/2009	R420 000.00	Renovation of the centre completed, currently occupied by Arts Craft Secondary Co-operative
Tourism: Cultural Village	DEDEA	2008/2009	R2000 000.00	Phase 1 towards completion 80 % of total budget spent
Business Support: Ntabankulu Development Agency (LED Institutional Model)	Thina Sinako	2009/2010	R757 587.29	Feasibility Study completed, in the process of developing business plan and by-laws
Sand and Quarry Mining	Thina Sinako	2008/2009	R992 893. 00	Feasibility Study Completed, Business Plan 2 Sand Mining Primary co-operative registered
Forestry	Thina Sinako	2008/2009	R459 234.00	Feasibility Study Completed, Business Plan and one forestry primary co-operative registered.

2.3.3 PROGRESS TOWARDS ACHIEVEING LED KEY OBJECTIVES.

2.3.3.1 SPATIAL DEVELOPMENT FRAMEWORK/LAND USE MANAGEMENT

The NLM's Spatial Development Framework (2010) identifies the following key features of the municipality that can contribute towards economic development of the municipality:

- Tourism development zones across the municipality. This includes arts and crafts development and a cultural village development in Ntabankulu town Ward 5.
- Forestry development areas which includes existing plantations, new afforestation and indigenous afforestation in Wards 3, 4, 5, 7, 13, 14 & 15.
- Agricultural development zones from Ward 1-Ward 15 which includes the following: food production, crop farming, poultry improvement, livestock improvement, grazing camps development, dipping tanks development, and market stalls.
- Sand and quarry mining development in Wards 1, 2, 7, 8, 9, 11 and 15.
- Recreational development which includes sports fields/facilities development in Wards 1,3,5,7,12,13.
- Social development which includes: community halls development, clinic construction, maintenance of mud schools, permanent structures construction, and design, maintenance and construction of government schools.

On tourism: in the past six months, the municipality in partnership with Department of Sport, Recreation, Arts and Culture in partnership has trained 5 primary co-operatives in sewing and woodwork.

Construction of Ntabankulu Cultural Village Phase 1, to be finalized by end February 2011. Arts and Craft Centre is currently occupied by crafters from Wards 3, 5 and 11.

On Forestry (**Indigenous**), the municipality in partnership with DAFF has trained 15 members of Nyokweni Participatory Forest Management Committee Ward 3 in Forest Management. Ward 4, 5 (**Bomvini, Ludeke and Madwakazana**) Forestry Primary Co-operative has been registered, awaiting for certificate from CIPRO.

On Agriculture:

Five (**05**) poultry primary co-operatives with chicks, vaccines, feedings and poultry equipment. Construction & installation of poultry equipment for Babondla co-operative poultry site in Ward 11 has been successfully completed, handed over to co-operatives members.

Ndwana goat primary co-operative in ward 5 & Silindini Goat Co-operative Ward 2 have been funded with fencing, goats and vaccines. Fundaninathi ward 8, Golden Ring Ward 9, Zulu Elihle Ward 3 & Zamokuhle ward 7 crop farming co-operatives have been funded with fencing materials.

On Sand and Quarry Mining, the two Sand Mining community business initiatives have been registered as primary co-operatives and 12 project members trained in Project Management and Basic Bookkeeping.

2.3.3.2 BY LAW ENFORCEMENT.

In January 2010, the municipality gazetted and further developed procedures for the following LED related by-laws.

- Trading regulations by laws
- Building regulations by laws
- Tariff by laws
- Liquor trading hours by laws
- By laws relating to sale of meals/food, and perishable foodstuffs.
- Advertising by laws

Service provider has been appointed in the last six months to supply, deliver and install by _laws business licensing system. The system's aims at:

- Providing workflow and process automation for Business Licenses/permits.
- Processing license/permit applications
- Notifying applicants via SMS on status of their applications
- Notifying Licensed businesses when Licenses are due to expire
- Generating reports from time to time as required by the Municipality

Installation of the system is expected to be completed by March 2011; thereafter processes will be followed to issue licenses/ permits to SMME's and Retail Industry.

2.3.3.3 COMPARATIVE AND COMPETITIVE ADVANTAGES

2.3.3.4 ENTERPRISE SUPPORT AND BUSINESS DEVELOPMENT

2.3.3.4.1 TRAINING AND CAPACITY BUILDING & PPP's ESTABLISHED

In July 2010, a Memorandum of Understanding was signed between the municipality and SEDA to offer support to Ntabankulu SMME's in the form of business advice, business development, business registration, marketing and training.

It is on this note that in the past six months,Construction SMME's/.....Primary Co-operatives have been trained by SEDA on Basic Business Management, Tender Advice and Basic Financial Management.

2.3.4.4.2 NEW FORMAL SMME'S ESTABLISHED

.....Primary co-operatives registered by SEDA,certificates issued by CIPRO, awaiting forcertificates. Primary co-operatives registered in the following commodities:

-
-

2.3.3.4.2 NUMBER OF EMPLOYMENT OPPORTUNITIES THROUGH EPWP PROGRAMS AND PPP's.

Approximately 5 % of Municipal Infrastructure supported a local primary co-operative, a private public partnership between the municipality and 30 local youth members.

Fifty seven (57) temporary jobs created during fencing of two (02) primary co-operatives, construction of goat shelters and maintenance of Babondla Poultry Site.

KPA 4: Financial Viability

The sustainability of an organization depends on its capacity to deliver on its mandate in a qualitative and quantitative manner, our focus.

Fundamentally the Municipality must not depend on grant funding; it must identify opportunities that can be turned into resources to generate revenue so as to increase our capacity to spend in a sustainable manner. It is on this note that the municipality is in a process to solicit funding for Revenue Enhancement Strategy & Financial accounting system to ensure that the municipality is able to develop & implement strategies to improve our revenue base.

3.1 Refer to attached 2009/2010 Annual Financial Statements and Auditor General Report

3.3 Discussion on twelve months report on Revenue including Conditional Grants

Own Revenue

1. Rates & taxes

The original budget amount to R1.9 million. The actual collections as compared to the projected collection of the twelve months period reflect that the municipality has under-collected by an amount of R647 648.38.

2. Refuse

The original budget amount to R60, 000. The actual collections as compared to the projected collection of the twelve months period reflect that the municipality has over- collected by an amount of R59 936.35.

3. Hall Hire

The original budget amount to R5, 000. The actual collections as compared to the projected collections of the twelve months period reflect that the municipality has over-collected by an amount R25,390.00.

4. Tender fees

The original budget amount to R10, 000. The actual collection as compared to the projected collections of the six month period reflects that the municipality has over-collected by R45 900.00.

5. Grazing fees

The original budget amount to R60,000. The actual collections as compared to the projected collection of the twelve months period reflects that the municipality has under-collected by R74 782.00

6. Sucking Fees

The original budget amount to R20,000. The actual collections as compared to the projected collection of the twelve months period reflect that the municipality has over-collected by R30, 745.00.

7. Lease Rentals

The original budget amount to R600,000. The actual collections as compared to the projected collection of the twelve months period reflect that the municipality has over-collected by R771 200.83.

8. Traffic fines

The original budget amount to R25,000. The actual collections as compared to the projected collections of the twelve months period reflects that the municipality has under-collected by R30 950.

9. Cemetery

The original budget amount to R25,000. The actual collections as compared to the projected collections of the twelve months period reflects that the municipality has under-collected by R1 680.00

10. Advertising

The original budget amount to R25,000. The actual collections as compared to the projected collections of the twelve months period reflects that the municipality has under-collected by R11 773.54

11. Tuck Shop

The original budget amount to R25,000. The actual collections as compared to the projected collections of the twelve months period reflects that the municipality has under-collected by R10 500.

12. Building Plans

The original budget amount to R25,000. The actual collections as compared to the projected collections of the twelve months period reflects that the municipality has under-collected by R7 823.64

Grants**1. Equitable Share**

The original budget amount to R34,319,099.00 The expected amount for the twelve months period was R34,319,099.00.

2. Municipal Infrastructure Grant

The original budget amount to R14,688,000. The actual amount received for the twelve months period is R28 403 000.

3. Financial Management

The original budget amount to R1,000, 000. The total amount has been received in the last twelve months.

4. MSIG

The original budget amount to R735,000. The total amount has been received in the last twelve months.

5. Housing Projects

The original budget amount to R12,081,359. There is no money that has been received to date. To date we have received R2 385 391.39

3.4 Meeting of Donors' requirements in respect of conditional grants

Municipal Infrastructure grant has been spent according to the conditions of the grants. The grant has been fully utilised.

Finance Management Grant –expenditure is as per requirements of the grant. Only R384 114.00 has been spent. The posts for interns have undergone the advertisement stage. Service provider for conversion of AFS to comply with GRAP has been appointed and has finalized Annual Financial Statements.

3.5 Long term contracts entered into by the municipality

The Municipality is not in possession of any long term contracts.

KPA 5: Good Governance and Public Participation:

2.5.1 OVERVIEW OF THE EXECUTIVE AND COUNCIL FUNCTIONS

The municipality under this KPA focuses on issues of audit, risk management, public participation and thereby the credibility of the Municipality to deliver on the mandate. It is also focusing on enhancing the capacity of ward committees that they should be assisted in performing their daily duties.

MEETINGS OF MUNICIPAL COUNCIL COMPLIANCE WITH SECTION 29(1), SECTION 79 (1) & SECTION 80 OF THE LOCAL GOVERNMENT STRUCTURES ACT, 1998, ACT NO. 117 OF 1998

In compliance with the above section, the statistics below show the number of meetings scheduled and the number of meetings held by Ntabankulu Local Municipality Council during this review period.

COUNCIL SITTINGS FROM JULY 2009 – JUNE 2010

Council member	Type of Meeting	No of scheduled meetings	No of meetings held	
	Ordinary Council meeting	04	03	
	Special Council meetings		03	
	Designation	Ward/PR	Party	Gender
Cllr. S. N. Ntlahla-	Speaker	PR	ANC	F
Cllr. P. S. Matshoba-	Mayor	PR	ANC	M
Cllr. T. R. Luvela-	Chief Whip	Ward 12	ANC	M
Cllr S. Nompula-	Executive committee Member	Ward 15	ANC	M
Cllr T. Pikwa	Executive committee Member	Ward 11	ANC	M
Cllr. A. N. Ntamo	Executive committee Member	Ward 06	ANC	F
Cllr. F. Matiwane	Executive committee Member	PR	ANC	F
Cllr. N. L. Ndamase	Executive committee Member	PR	ANC	F
Cllr. J. J. J. Ntlabathi	Ordinary member	Ward 03	ANC	M
Cllr. X. Mdanyana	Ordinary member	PR	ANC	F
Cllr. M. Mtakasi	Ordinary member	Ward 09	ANC	M
Cllr. S. Sigudla	Ordinary member	Ward 10	ANC	M
Cllr. D. M. Gadallane	Ordinary member	Ward 07	ANC	M
Cllr. F. Mndela	Ordinary member	Ward 14	ANC	F
Cllr. A. B. Diko	Ordinary member	PR	ANC	M
Cllr. P. Ndabeni	Ordinary member	Ward 02	ANC	F
Cllr. M. Luhabe	Ordinary member	Ward 05	ANC	M
Cllr. Sobuthongo	Ordinary member	PR	ANC	F
Cllr. M. Gweqani	Ordinary member	Ward 01	ANC	F
Cllr. M. G. Diko	Ordinary member	PR	ANC	M
Cllr. M. Madikizela	Ordinary member	PR	UDM	M
Cllr. S. Sotshangane	Ordinary member	Ward 08	ANC	M
Cllr. P. Mthenjwa	Ordinary member	PR	ANC	F
Cllr. L. J. Diko	Ordinary member	PR	UIF	M

Cllr. M. Tyhalibhongo	Ordinary member	PR	ANC	F
Cllr. N. G. Diko	Ordinary member	PR	ANC	F
Cllr. S. Ngcuka	Ordinary member	Ward 04	ANC	F
Cllr. L. Ntantili	Ordinary member	PR	ANC	M
Cllr. Z. W. Gandela	Ordinary member	Ward 13	ANC	M

SECTION 79 COMMITTEE SITTINGS FROM JULY-DECEMBER 2009

Human Resources, Organization transformation, Legal Services and Information Technology		
Member of Committee	No of scheduled meetings	No of meetings held
	04	03
Chairperson- Cllr S. Nompula		
Cllr. J. J. J. Ntlabathi		
Cllr. X. Mdanyana		
Cllr. M. Mtakasi		

Budget, Treasury, Supply Chain management and Administration		
Member of Committee	No of scheduled meetings	No of meetings held
	04	03
Chairperson- Cllr S. Nompula		
Cllr. S. Sigudla		
Cllr. D. M. Gadalane		
Cllr. F. Mndela		
Cllr. A. B. Diko		

Planning, Environment and Local Economic Development		
Member of Committee	No of scheduled meetings	No of meetings held
	04	03
Chairperson- Cllr T. Pikwa		
Cllr. P. Ndabeni		
Cllr. M. Luhabe		
Cllr. Sobuthongo		

Land, Housing and Traditional Affairs		
Member of Committee	No of scheduled meetings	No of meetings held
	04	03
Chairperson- Cllr. A. N. Ntamo		

Cllr. M. Gwegani		
Cllr. M. G. Diko		
Cllr. M. Madikizela		

Community Services, Special Programs and Communications		
Member of Committee	No of scheduled meetings	No of meetings held
	04	03
Chairperson- Cllr. F. Matiwane		
Cllr. S. Sotshangane		
Cllr. P. Mthenjwa		
Cllr. L. J. Diko		

Protection, Public Safety & Crime Prevention		
Member of Committee	No of scheduled meetings	No of meetings held
	04	03
Chairperson- A. N. Ntamo		
Cllr. M. Tyhalibhongo		
Cllr. N. G. Diko		
Cllr. S. Sotshangane		

Infrastructure capital, Maintenance and Waste Management		
Member of Committee	No of scheduled meetings	No of meetings held
	04	03
Chairperson- Cllr N. L. Ndamase		
Cllr. S. Ngcuka		
Cllr. L. Ntantili		
Cllr. Z. W. Gandela		

SECTION 80 COMMITTEE SITTINGS FROM JULY-DECEMBER 2009 The Executive Committee is constituted by the following members:

Member of Committee	Type of a meeting	No of meetings held
---------------------	-------------------	---------------------

	Executive Committee	07
	Extended Exco Legotla	04
P. S. Matshoba		
Cllr S. Nompula-Exco Member		
Cllr T. Pikwa-Exco Member		
Cllr. A. N. Ntamo-Exco Member		
Cllr. F. Matiwane-Exco Member		
Cllr. N. L. Ndamase-Exco Member		

2.1 Intergovernmental Relations

The municipality has drafted, adopted and launched an inter-sectoral forum & sub forums along the Intergovernmental relations framework no. 13 of 2005.

The purpose being:

- a) to integrate financial and non-financial resources towards implementation of IDP
- b) to assist the municipality in delivering well coordinated, effectively managed and responsive communication to meet the needs of the public.
- c) Coordinate governments' work in the jurisdiction of Ntabankulu

2.2 Audit Committee and Internal Audit Unit

Audit Committee has been fully established with key roles and responsibilities & schedules of committee sittings enshrined in the Audit Committee Charter. Internal Audit unit is functional and has drafted an internal audit committee charter. It has performed 1 audit in the twelve months.

- Audit Charter adopted by Council
- Internal Audit Charter adopted by Audit Committee
- Risk Management strategy adopted by Audit Committee

2.3 Communication strategy

The municipal Systems Act 32 of 2000 Section 18 establishes mechanisms of communicating information concerning community participation. Marketing Communication Strategy as adopted by Council prioritizes the following communication channels for community participation:

- Imbizo's,
- Exco Outreach
- Public Hearings
- Special Events
- Local Newspapers
- Indigenous Language Radio Stations

The municipality's communication strategy underpins that communities prioritized communication needs as follows:

- Job creation.
- Poverty alleviation
- Community involvement.

In terms of the channels of communication the following priorities were identified:

- imbizo and special events as the most favoured communication media in the municipality

It is upon this background that community members prioritize and commit themselves in their community based plans in programs and projects to be implemented in each financial year.

Local labour has been used during construction of completed community halls & access roads. Projects were therefore handed over to community members after completion, through special events. Imbizo's organized for community members to prepare and organize themselves for project handovers.

A total number of 35 vulnerable children and orphans were supported with food parcels during handover of projects, soccer teams supported with soccer kits.

Exco outreach programs

An outreach was conducted in ward 15 with an objective to resolve issues contained in the petition submitted to the municipality by the community. Coordinated mobilization towards the hand-over of roads and community halls in 7 wards

Other public participation programs

Facilitated ICROP (Integrated Community Registration Outreach Program) with the following registration statistics

- 463 child support grants,
- 25 old age grants,
- 11 foster care grants,
- 177 new IDs,
- 257 ID re-issues,
- 54 birth certificates,
- 227 affidavits and
- 2 LRB

Special Events

The municipality adopted a schedule of calendar events, special events focusing on service delivery, arts, culture, history & heritage, good governance etc.

In the past twelve months the municipality hosted the following events in partnership with our service providers, DAFF and community members.

- **Service delivery:** Handover of the following access roads and community halls to community members where a total number of 35 vulnerable children and orphans were supported with food parcels, soccer teams were also supported with soccer kits:
 - Nodali – Zimele 5,3 km
 - Mjelweni 5,5 km
 - Mngeni – Msukeni 7,5 km
 - Nyabeni – Manaleni 8 km
 - Madwakazana Community Hall
- **Sport & Recreation:**
 - Establishment of Associations in Wards 2-15
 - Ward Sport in Ward 6
 - Co-ordinated Sport against Crime in ward 6

2.4 Fraud Prevention Strategy

The Fraud Prevention strategy has been developed by the municipality as a result of the expressed commitment of government to fight corruption.

The strategy was adopted by the council in the previous quarter and workshops are to be conducted to staff members.

Declaration of interest register has been completed for the financial year but will in the next half of the financial year be edited for the inclusion of spousal interests.

2.5 Public Participation

Ward committee establishment and functionality

- The Municipality had developed a policy that guides the functioning of the ward committees - The Functioning of Ward Committees Policy, Policy No. 4 of 2008. (Copy herein attached). The current ward committees were established in 2006 for a 5 –year term ending in 2011. One hundred and fifty (150) ward committees are deployed among the 15 wards of the municipality.
- Ward committee meetings are convened twice every month.
- Attendance registers and reports (on meeting proceedings and ward committee activities) are submitted to the office of the Speaker, with 80% average attendance.
- Structured feedback meetings are facilitated by ward committees during IDP consultations (Community Based Planning,) and others are convened when necessary.
- A workshop has been conducted on ward committees' roles and responsibilities as prescribed by the policy. Monthly sitting allowance is also facilitated.

2.6. BY-Laws

- The following by laws have been published in the provincial government gazette number 2258 on the 15th January 2010.
 - Unsightly and neglected buildings and premises by laws
 - Pound by law
 - Fencing by-law
 - Cemeteries, funeral undertakers and crematoria by-law
 - Building regulations by-law
 - Control of temporary advertisement by-law
 - Storm water management by-law
 - Policy and street naming and awarding of council orders
 - Dumping, littering and waste collection by-law
 - Disposal of contaminated and / or health care risk waste by-law
 - Control of refuse disposal sites by-law

